

The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, OCTOBER 8, 1931



stability

Throughout the centuries the North Star has been a guiding light. As a symbol it may well represent what the Queen has constantly meant to the insuring public in time of disaster since the founding of the company in 1891. Today, as always, financial stability and good faith are the most looked-for qualities in an insurance company. For over forty years the Queen has emerged from the country's worst fires high in public esteem, stalwart, stable . . . stable as the North Star.



Capital \$5,000,000
150 William St., New York

QUEEN
INSURANCE CO.
of AMERICA

as of June 30th, 1931

Total assets \$15,607,081

Surplus including
deposit capital
(\$800,000) 2,500,000

*Bring your Reinsurance
Problems to the oldest
casualty and surety
reinsurance company
in the United States*

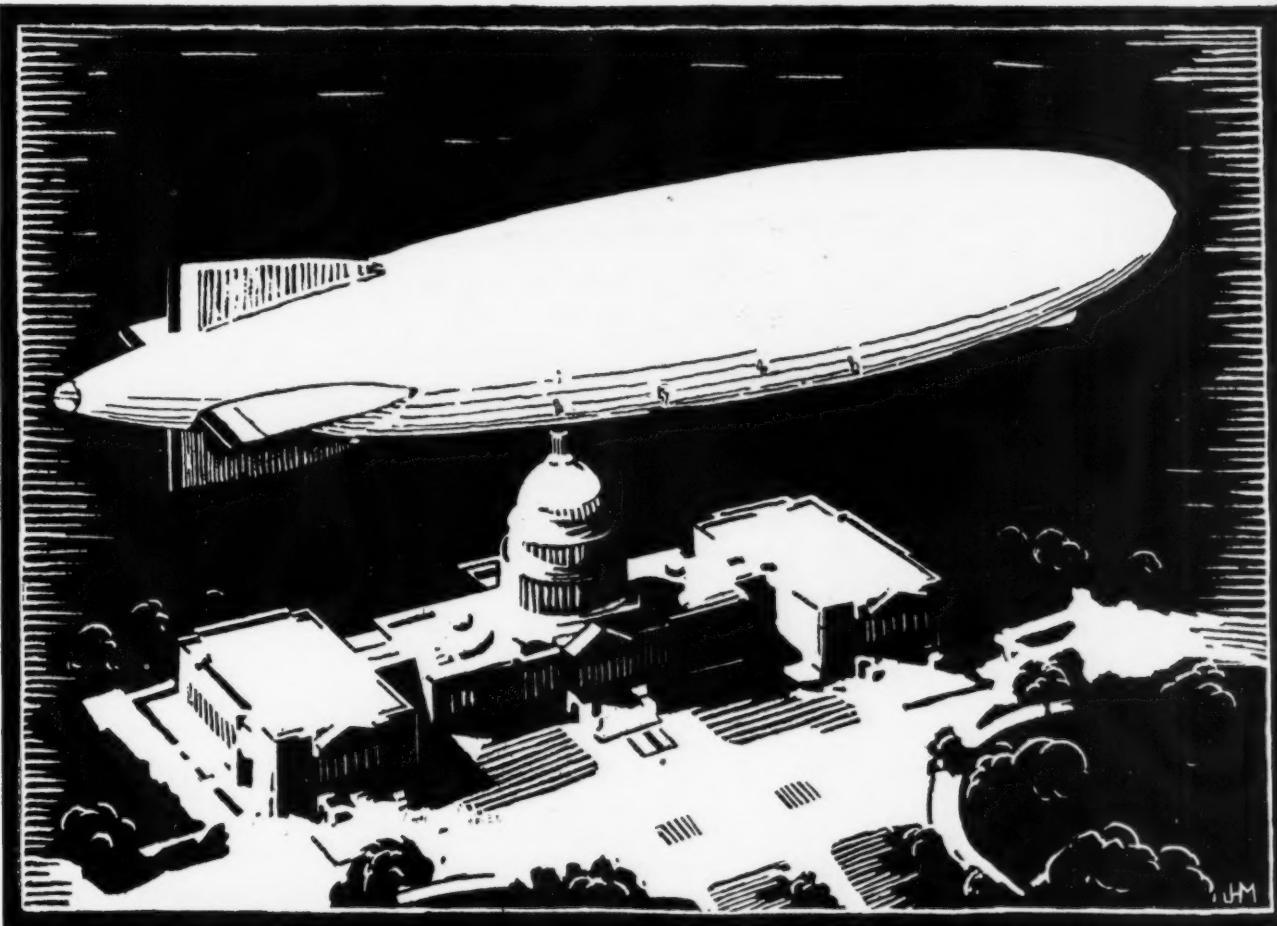
REINSURANCE
for
INSURANCE
COMPANIES
ONLY

**THE
EUROPEAN
GENERAL
REINSURANCE
COMPANY LTD**

110 WILLIAM STREET NEW YORK

Theodore L'Haff
United States Manager

Clarence T. Gray
Asst United States Manager



Cash Capital	\$24,000,000.00
Net Surplus	\$36,398,755.35
(Accumulated over 78 years)	
Surplus to Policyholders	\$60,398,755.35
Additional Funds	\$38,936,368.00
(Pro Rata Unearned Premiums)	
Reserved	
for miscellaneous accounts, taxes, dividends, and other obligations	
\$12,754,865.55	
Assets	
Cash on hand, funds conservatively invested or current balances payable when due	
\$112,089,988.90	

OUT OF THE SKIES—

comes a mighty dirigible. It has crossed oceans, combatted headwinds, outridden storms and come through unscathed. Strength and power scientifically applied and expertly controlled have conquered the air. » The financial strength of The Home Insurance Company of New York has attained an unsurpassed height through the consistent building up of a financial reserve capable of outriding the strain of constantly occurring losses and the occasional heavy burden of conflagration. » Guided by the hands of experienced underwriters the policy of The Home is always safe, sound and dependable. » » » » » »

THE HOME INSURANCE COMPANY **NEW YORK**
ORGANIZED 1853 WILFRED KURTH, President

59 MAIDEN LANE

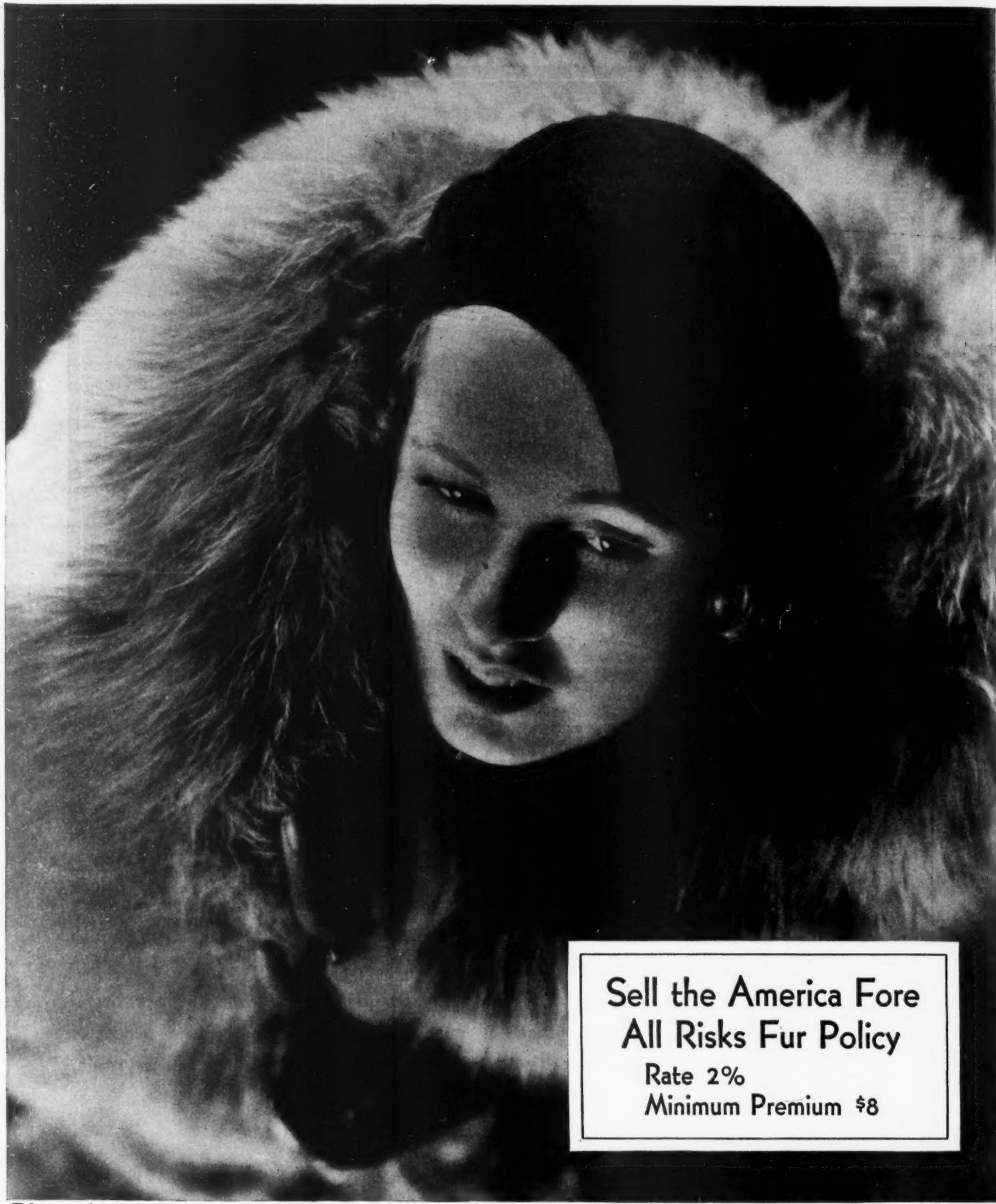
Strength

« »

Reputation

« »

Service



Sell the America Fore
All Risks Fur Policy

Rate 2%
Minimum Premium \$8

The AMERICA FORE GROUP of Insurance Companies
THE CONTINENTAL INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY

ERNEST STURM, Chairman of the Board

PAUL L. HAID, President

THE FIDELITY AND CASUALTY COMPANY

ERNEST STURM, Chairman of the Board

WADE FETZER, Vice Chairman

PAUL L. HAID, President

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE

Eighty Maiden Lane,

New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTRÉAL

The National Underwriter

Thirty-Fifth Year No. 41

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, OCTOBER 8, 1931

\$4.00 Per Year, 20 Cents a Copy

New Marine Form Being Considered

I. M. U. A. Expects to Announce All-Risk Personal Property Floater Soon

ZONE SYSTEM OF RATING

World-wide Cover Against Many Fire and Casualty Hazards in Residence and Outside

NEW YORK, Oct. 7.—A startlingly broad form of all-risk personal property floater which is now being issued by a few companies that have inland marine departments is being considered by the Inland Marine Underwriters Association of New York and probably soon will be adopted for all member companies. It is reported that the majority of insurance commissioners have indicated approval of the form.

This cover combines in one contract a miscellaneous assortment of fire and casualty insurance, including fire and lightning, earthquake, burglary, theft and larceny, explosion, windstorm, tornado and cyclone, water damage, aircraft damage, in the residence; and also a number of outside risks, including hold-up. It also covers money outside the residence by endorsement, and likewise personal effects, jewelry and furs.

Although rates vary, depending on the locality and amount of cover, for the average small risk it is said the premium is somewhat lower than the total premiums for similar protection issued in separate policies. The average premium is about \$1.45 per \$100 for \$5,000 of insurance or less. There is, however, a \$50 minimum premium. Protection for jewelry, furs and silverware may be added at the present published rates by endorsement, otherwise personal jewelry and furs are covered for a maximum of \$250 in a single loss.

Covers World-wide

The personal property floater covers property not otherwise insured, belonging to the assured and/or members of his family permanently residing with assured against loss or damage from any cause whatsoever except as stipulated, whether arising on land, water or in the air. The property covered consists of effects not pertaining to the assured's occupation, business or profession, including personal jewelry and/or personal furs if scheduled, anywhere in the world and all transit risks except while stored for a longer period than three months in warehouses. However, furs in summer storage are covered.

This policy also covers all damage except by fire to residences owned by the assured caused by burglary, theft, larceny or robbery, or any attempt thereof. The assured warrants that no other insurance is or will be carried on the property covered during the term of the

(CONTINUED ON PAGE 27)

Small Losses Eat Away Large Sums of Money

By GEORGE A. WATSON

NEW YORK, Oct. 7.—Adjusters of extended experience are in thorough accord with the statement made by President Ralph Rawlings in his address before the gathering of the Western Insurance Bureau at Briarcliff Manor that the replacement of damaged property instead of cash settlements would tend to reduce loss costs, but point out that while admirable in theory, the plan does not work well in practice. In earlier days replacements were commonly resorted to, but since the beginning of the present century the trend has been pronouncedly toward cash payments, and replacements are seldom adopted now. While companies under the provisions of the standard policy have the option of replacing damaged property with that of like kind and value, where efforts so to do have been made, the assured too frequently finds fault with the character of the replacement work or goods. Companies have oftentimes had to stand suit and sometimes pay in cash after effecting replacements, a claimant alleging that the latter were not to his satisfaction. On the other hand, the assertion of a company that it will stand by the contractual right of replacement has occasionally been the means of forcing a belligerent claimant to accept an equitable cash settlement.

Large Number of Small Claims

Another phase of the loss situation noted is the alarming number of small claims submitted by the companies as a result of damage caused by the careless tossing away of lighted cigars and cigarettes in hotels, homes and other buildings where people gather and smoking is permitted. The remarks of Mr. Rawlings in this connection recalled the caustic references made to cigarette losses by C. R. Street, former president Western Underwriters Association in his annual address to that body at Atlantic City last April, attesting that all general writing companies are having the same unsatisfactory experience with claims of this character, and are properly exercised because of it.

Aggregate Amount Is Large

While individual claims for damages resulting from cigars and cigarettes are usually for small amounts, ranging as they do from \$10 to \$100 each, yet in the aggregate they reach impressive figures and call for far more attention from company executives than they have received hitherto, for as one speaker contended "in their final cost, both in dollars and in the unfavorable influence on public and agent they compare with that dripping of water which in time wears away the hardest stone." He added: "Too often smaller claims do not receive the attention that they should and would have if their aggregate cost is realized at a time when it is especially necessary to make sure only legitimate claims are to be paid if any profit is to remain."

The extent to which fire damage on carpets, rugs and draperies of various

types mounts, may be inferred from the fact that one of the prominent hotels of Chicago is credited with spending a thousand dollars a month in repairs of such character. A leading hotel of Buffalo has an arrangement with its insurance carrier whereby instead of filing individual claims it submits a schedule of the total number of losses each quarter. A proposition of like character was advanced by certain hotels of this city, and while strenuously objected to by the general adjusters, has not been turned down by company officials.

Claims Were Early Paid

Though there is no question but that cigarette smoking has greatly increased within the past ten years, and notably so among women, it was common enough prior to 1921 and even then companies were called upon to settle rug and carpet damage claims resulting from the practice. Unfortunately in the early days the handling of claims of this character was entrusted to young specials or adjusters, instead of being delegated to men of ripened experience, competent to talk to assureds and to convince them of the injustice of many of the claims. Oriental rugs can easily be repaired and so successfully as to afford no trace of the new work; but so far as the cheaper grade of floor coverings are concerned, however, it is more economical as a rule to pay the loss than to attempt repairs.

Exerts Unfavorable Influence

As Mr. Street asserted, the payment of improper losses exerts an unfavorable influence upon both the public and the agents, in that it gives both a poor opinion as to the business judgment of the insurance companies and creates the impression that they are "easy marks" and can be browbeaten into claim payments however lacking in merit the latter may be.

Company managers who while desiring that every assured be paid the full sum of his honest loss, yet refuse to be held up for excessive amounts or recognize unjust claims, do not lose caste with the average agent or policyholder.

Automatic Cancellation of Unpaid Policies Up

The National Association of Insurance Agents has appointed a special committee of five to study the question of automatic cancellation of policies for nonpayment of premiums and report to the executive committee as soon as possible. James L. Case, Norwich, Conn., is chairman; and the others are Clyde B. Smith, Lansing, Mich.; G. Mabry Seay, Dallas; Frederick Hickman, Atlantic City, N. J., and Harry Schroeter, Oakland, Cal.

Claim Expirations in Injunction Suit

Action in Federal Court at St. Joseph Bars Solicitation and Seals Up Records

BALANCES WERE UNPAID

Roadifer as Assignee of Four Companies Gets Order Against McMurtrie and Corporations

ST. JOSEPH, MO., Oct. 7.—Asserting ownership of expirations is in the companies when an agency is delinquent in its payments, Walter H. Roadifer as assignee of four fire insurance companies has secured an injunction against the McMurtrie local agency at St. Joseph, Mo., restraining H. R. McMurtrie and seven of his corporations from making further collections from the assured and also restraining them from communicating to anyone any information regarding the expirations on the books. The injunction was issued by United States District Judge Merrill E. Otis at St. Joseph, Mo., on Monday.

The defendants are H. R. McMurtrie, McMurtrie & Powell Agency Company, Platte Insurance Agency Company, Fidelity Underwriting Company, Inniss-Cook Underwriting Company, McMurtrie Investment Company, Lanowah Investment Company, and Guaranty Adjustment Company. The insurance companies are the Continental, National of Hartford, Providence Washington and Fire Association.

Sweeping Order on Expirations

The order restrains the defendants from collecting or attempting to collect any further sum or sums from any policyholders or others on the policies issued by the companies named, and from interfering in any manner with the collection thereof by the plaintiff or by the receiver if one is appointed; and "from using, copying, disposing of or revealing, or attempting to use, copy, dispose of or reveal to any person, firm or corporation, except plaintiff companies or the receiver if appointed, the expirations" of any and all policies written by the defendant for the plaintiff companies.

Notice Would Defeat Purpose

The restraining order is returnable on Oct. 15 at which time it will be decided whether a receiver shall be appointed or not. The suit was brought by William S. Hogsett of Hogsett, Smith, Murray & Tripp. The court issued the restraining order without notice to the defendants, "because if advance notice were given to the defendants of the application therefor, such notice would probably defeat the purpose of the restraining order, in that it would be within the power of defendants to, and the defendants probably would, secrete and convert to their own use funds and money

(CONTINUED ON PAGE 27)

Companies Aroused Over Theft Losses in Chicago

"RECOVERIES" MEANINGLESS

Many Persons Believe Rewards Should Not Be Paid Unless Thief Is Sentenced

Many companies are becoming aroused over the continued high loss ratio on automobile theft business in Chicago. It is a common thing for from 50 to 75 automobiles to be stolen in a day in Chicago. Frequently there will be several days of this sort in succession. On Saturdays and some Sundays as many as 100 automobiles are frequently stolen. A number of company executives feel that the present machinery for dealing with this situation is inadequate and ineffective. They point out that while the Automobile Protective & Information Bureau is able to recover perhaps 80 or 90 percent of the cars stolen in Chicago, these recoveries are rather meaningless nowadays, owing to the fact that the thieves strip the cars and what is recovered is in many instances a worthless piece of junk.

How Thieves Work

Automobiles stolen in the Chicago area are very seldom recovered intact. Thieves have learned that there is almost no market for second-hand automobiles at this time, but they find that they are able to dispose of the parts separately. Accordingly, when they steal a car instead of going through the usual routine of selling it to a "fence" they strip it of everything that can be sold separately, even stealing all of the glass from the windows, dashboards, brass parts and everything that can possibly be disposed of. What is finally recovered has so little value that it is virtually a total loss. Thus, "recovery" means practically a total loss instead of 50 or 75 percent salvage as was formerly the case.

Want Plan Changed

There are many who believe that the system of paying rewards for recoveries instead of penalizing the thieves is responsible for a large part of the trouble. Under the present plan a reward is given whenever a car is recovered, but there is a feeling among many that no reward should be paid unless a jail sentence results for the thief. The present arrangement does not provide anything that discourages crime. In fact, the more cars that are stolen, the better it is for the police receiving the rewards. If rewards were paid only when thieves were sentenced in connection with the theft, the number of thefts would soon decline. There is nothing in the present plan that results in the reduction of thefts or the discouragement of thieves.

In some cases, it is believed that thieves dismantle a car, then buy the stripped body, and later reassemble it again. They can buy the stripped body for almost nothing, and the sale is legal. In this way they avoid getting into trouble over owning a stolen car. Automobile companies transacting a large business in Chicago feel that some action should be taken, because the theft situation in the Chicago district is getting worse steadily instead of better.

Calhoun at Three Meetings

W. B. Calhoun, president of the National Association of Insurance Agents, is scheduled to address a number of state association meetings next week. He will attend the meeting of Missouri agents at Jefferson City Oct. 12, the Kansas agents' convention at Topeka Oct. 15 and the Oklahoma agents' meeting at Oklahoma City Oct. 16.

C. H. Smith, head of the Marshall Sterling Agency of Poughkeepsie, N. Y., died last week.

J. L. Parsons President of Crum & Forster Now



J. LESTER PARSONS

J. Lester Parsons has been elected president of Crum & Forster, taking the position left vacant by the death of John A. Forster. Mr. Parsons has been vice-president. Crum & Forster is a corporation controlling various companies and other institutions allied with the insurance activities of that house. Mr. Parsons was admitted to the partnership shortly after Crum & Forster was formed and he is the survivor of the five early partners who is now connected with the organization. Mr. Parsons has been associated with the companies controlled by Crum & Forster nearly all his business life.

Started With U. S. Fire

He entered the home office of the United States Fire in 1886, when he was 15 years of age. He served with the North British for three years and in 1892 went to the North River as assistant to the underwriter and later became the chief underwriter.

Mr. Parsons assumed an interest in the firm of Crum & Forster which had been organized to engage in the local agency business. The other partners were John A. Forster, W. E. Hutchins, F. H. Crum and J. H. Ackerman. It later took in other partners, entered the general agency field but continued to operate its local agency. It got control of the North River, United States Fire, Williamsburg City and later other companies.

CONDENSED NEWS OF WEEK

Company ownership of expirations when agency balances unpaid is asserted in injunction suit at St. Joseph, Mo. **Page 3**

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Inland Marine Underwriters Association expected soon to announce new all-risk personal property floater. **Page 3**

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Multitude of small losses is a feature of the present day. **Page 4**

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Kenneth F. May heads National Union's automobile department. **Page 3**

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J. Lester Parsons is made president of Crum & Forster. **Page 4**

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Mutuals hold annual organization meeting in Chicago this week. **Page 5**

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Program is announced for the Pennsylvania Association of Insurance Agents annual meeting. **Page 24**

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Thomas E. Braniff of Oklahoma City was elected president of the National Association of Casualty & Surety Underwriters and R. Howard Bland was re-elected president of the International Association of Casualty & Surety Underwriters. **Page 31**

May Made National Union Automobile Department Head

GOES FROM NORTH AMERICA

Well Known Western Auto Underwriter Becomes Assistant Secretary of Pittsburgh Company

Kenneth F. May, well known in insurance circles in the western territory, has joined the National Union Fire as assistant secretary in charge of the automobile department.

Mr. May is not a stranger to Pittsburgh, having formerly supervised the automobile business of North America for western Pennsylvania, western Maryland, and West Virginia with headquarters in that city, and recently displayed a further interest in the western Pennsylvania metropolis by choosing for a life partner a Pittsburgh girl.

Practically all of Mr. May's insurance background has been in the automobile department of the North America. In 1919 he entered the service of that company at the home office in Philadelphia, subsequently being transferred to Pittsburgh, and in recent years has been agency superintendent in charge of the automobile department for all the western states, with headquarters at Chicago. His early insurance experience was gained in the operation of a successful local agency at Erie, Pa., so that his past contact qualifies him to guide the destinies of the automobile department of the National Union with equal forethought for the company and the agent.

Notables on Committee

NEW YORK, Oct. 7.—Ernest Sturm, chairman of the America Fore companies, is chairman of the fire insurance companies division on the emergency unemployment relief committee. His associates are: F. W. Koeckert, United States manager Commercial Union; E. C. Jamison, president Globe & Rutgers; W. H. Koop, president Great American; F. E. Burke, vice-President Home; C. F. Shallcross, United States manager North British and J. Lester Parsons, president United States Fire.

Mrs. C. H. Post Dies

Mrs. Charles H. Post, widow of the late United States manager of the Caledonian, died at her home in Summit, N. J., Tuesday. Surviving are two daughters, Mrs. C. F. Shallcross, wife of the United States manager of the North British, and Miss Katharine Post.

Policyholders of the Interstate Interinsurance of Milwaukee have been assessed \$299,830 by court order. **Page 4**

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"Sole agency ethics" proposal is important feature of White Sulphur casualty convention. **Page 31**

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Companies ask for a writ to force Commissioner Brown of Massachusetts to promulgate new automobile liability rates for 1932. **Page 31**

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Conference is held as to commissions on jumbo bonding lines. **Page 32**

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Vice-President F. A. Ungles of the National Union Indemnity has resigned. **Page 30**

* * *

Illinois department of Employers group hears Stone at gathering in Chicago. **Page 34**

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Agent-company conference committee appointed at White Sulphur meeting. **Page 33**

* * *

William McKinley reviews germ accident cases. **Page 33**

Reciprocal Policyholders Ordered Assessed \$299,830

START COLLECTION AT ONCE

Interstate Interinsurance and Its Management, the Interstate Exchange, Hit in Court Action

MILWAUKEE, Oct. 7.—An assessment of \$299,830 against some 25,000 policyholders in the Interstate Interinsurance has been ordered by Circuit Judge Schinz of Milwaukee. Work of collecting this money will be started at once by the insurance commissioner. The Interstate Interinsurance was managed by the Interstate Exchange, a corporation in which the original stockholders and officers were largely city politicians and office holders. The court increased the assessment from \$257,039 proposed at the time of the insolvency of the concern. At that time it was estimated that 30 percent of the amount would be uncollectible, but because of present conditions the estimate was raised to 40 percent and accepted by the court. Judge Schinz will hold hearings to unravel the tangled affairs of the Interstate Interinsurance and Interstate Exchange, to enable the court to pass on the liability of the stockholders of the managing corporation, as well as the insurance concern.

Claims Total \$419,033

The managing corporation, Interstate Exchange, is organized under the business laws of Wisconsin, yet the supreme court has rendered judgment against it in insurance litigation and claims for judgments and attorneys' fees have been filed, which, attorneys say, perhaps should have been filed against Interstate Interinsurance.

The total claims filed against both interstate concerns, according to Mr. Lang, reach \$419,033. Of this \$364,030 is against the Interstate Interinsurance, and \$55,002 against the Interstate Exchange. Interstate Exchange, as attorney-in-fact for Interinsurance was entitled to take 30 cents out of each \$1 of gross premium for its service. The exchange now has only about \$9,000 worth of assets, largely used in the process of liquidation.

The assessment now ordered will cover all policyholders between Jan. 1, 1928 and Feb. 20, 1930, but will not exceed one annual premium paid by any policyholder. Mr. Lang estimated that the assessment will be about 30 percent of an annual premium.

May Decide to Have Big Insurance Week in Chicago

PITTSBURGH, Oct. 7.—The American Life Convention, composed of life companies in all sections but chiefly those in the west and south, is holding its annual meeting here and may decide on a permanent gathering place. If such be the case it is likely that Chicago will be chosen and the meeting will be held at the Stevens Hotel. Judge Byron K. Elliot, manager of the American Life Convention, is desirous if this plan be carried out, of establishing a big "Insurance Week" in Chicago much along the line of the similar week in New York when the insurance commissioners and Life Presidents' Association gather there early in December. Judge Elliot states that already he has the assurance of two or three other organizations that will meet in Chicago in the autumn. He believes that a week of insurance can be developed there that will attract wide attention and will serve to emphasize the business and will be a great convenience to those in different insurance classes who desire to hold conferences.

The New Hampshire Fire has declared the usual quarterly dividend of 10 cents a share.

Advertising Men Meet in Toronto

Two New Sections Are Set Up to Give Life Men Own Activities

ELECT MILLS PRESIDENT

Six Group Sessions Take Up Variety of Subjects—Canadians on Program

OFFICERS ELECTED

President, Bert N. Mills, Bankers Life of Iowa.
Secretary, Nelson A. White, Provident Mutual Life.
Treasurer, Charles C. Fleming, Life Insurance Company of Virginia.

Fire, Casualty and Surety Group
Vice-President, Stanley Withe, Aetna.
Secretary-Treasurer, C. E. Rickerd, Standard Accident.
Executive Committee, Ray C. Dreher, Boston, and Harold E. Taylor, American of Newark.

Probable place of next meeting, Old Point Comfort, Va.

BY HOWARD J. BURRIDGE

TORONTO, Oct. 7.—Sweeping revisions in its constitution and by-laws; the creation of a separate set of officers to represent the life group and the decision of the life members not to secede and establish their own organization featured the annual convention of the Insurance Advertising Conference held here the first three days of this week. For several years a number of life members have been contending that they have very little in common with the fire and casualty group and that there should be a separate organization created for life company members only or that the members of the life group should become a section of the Life Agency Officers Association. The feeling on the part of some members on this question was quite strong. At Toronto there was considerable maneuvering over what was to be done. Numerous star chamber sessions were held. For a time a split-up of the conference seemed inevitable.

Agree on Separate Set-Ups

Finally in order to give the life members the representation and set-up they wanted, it was decided to elect a vice-president, secretary and treasurer and executive committee for life members and to elect a life man as the conference's president every other year. In other words both life and fire and casualty groups will have their own set of officers and committeemen, giving each the same line-up as would be possible with separate organizations.

There were six group sessions and at them really interesting talks developed. The joint sessions were more formal. This was the first meeting held in Canada, and there was quite a bit of the "hands across the border" attitude expressed by a number of speakers.

Would Tie Up with Sales

To make a sweeping summary, it was noticeable that many of the life talks were concerned with the need of a closer tie-up between the advertising and the agency departments and the importance of developing more effective plans for conserving business through advertising, while a number of the fire and casualty speakers were interested in measuring

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Mutuals of All Classes Hold Intensive Meeting

Any one who a few years ago thought of the organizations of mutuals insurance companies as a slow moving group, and who was disposed to think of them as rather poorly organized, without much leadership, would have found himself entirely disabused had he attended the giant convention of the National Association of Mutual Insurance Companies combined with that of the Federation of Mutual Fire Insurance Companies at the Stevens hotel in Chicago starting Monday of this week and concluding Thursday night. Although 200 fewer delegates and representatives attended this year than last year there were still 1,200 alert, keen-eyed men and women, who attended the general sessions of the two associations and the numerous group or sectional meetings. Practically the entire third floor of the Stevens hotel was taken up by these meetings of various kinds.

The activities of the mutual organizations extend in every direction. Some of these groups with regular meeting places were: Reinsurance, Classification, Hail and Windstorm, Accounting, Education and Promotion, Policy Forms-Clauses, Farm, Automobile and Compensation, Advertising, Inspection, Town and City Mutuals (German), Ladies' Auxiliary, etc.

Trend Toward Agencies

The advertising exhibit seemed to be the star feature and naturally so because many of the mutual companies are practically mail order concerns and all mutual managers are students of mail order campaigns and advertising. However, it would appear that there is a distinct trend towards a development of the agency system in the mutual ranks. One speaker said that, asked a few years ago as to his opinion of the future of the American agency system, he would have said that it had no future, but now he believes that the agency system is well established and that this has been contributed to no little by the fact that the mutual companies themselves have gone over to a considerable extent to the agency system.

J. S. Kemper of Chicago is without doubt the outstanding leader of the mutual organization movement and is the one most in evidence at this convention. He is president of the Federation of Mutual Fire Companies and vice-president of the National association. In the absence of President S. B. Mason of Bloomington, Ill., due to illness he presided at times over each meeting. He is one of the strong, forceful men, very much responsible for the development which mutual insurance has taken on in recent years.

Question of Competition

The mutual companies keep in very close touch with matters of legislation, taxation, competition of the stock companies, competition among themselves, etc. Secretary A. V. Gruhn treated on these and other interesting topics exhaustively in his report Tuesday afternoon. There was much discussion on the question of competition among the mutual companies themselves and also on rate cutting. The sentiment was that mutual companies should work with the Convention of Insurance Commissioners and take a stand in cooperation with the insurance departments in eliminating rate cutting as much as possible. Competition among mutual companies, it was thought, could better be diverted toward stock companies.

Business Is Increasing

What was apparent at this convention was that the mutual companies are developing systems and organizations of their own, that they are self-sufficient, that they are growing in the spirit of

cooperation among themselves and also that their business is increasing steadily. They are developing a cohesion and strength which will not permit them to be ignored and they are already a strong, yet a minority, faction in fire and casualty insurance with a recognized place in the sun. Even as agency companies in most sections of the country they are a considerable factor and there is growing up in many states a system of exclusively mutual agents in every city and town. Up to the present there is no attempt to discriminate as against direct writing, mail order, salaried representatives, branch office or commission agency companies and perhaps some companies conduct their business on all of these plans. There are straight assessment, cut rate, dividend paying, guaranteed or non-assessable and almost every kind of company in the mutual ranks.

Dominate Farm Business

In the farm group, the farmers mutual is perhaps the only one that is dominant in its field but unquestionably the farmers mutuals of the country write more farm business than any other class. The estimate was made that 55 percent of the farm business of the country is in the hands of the farmers' mutuals. In the field of automobile insurance the mutuals are also likewise strong. This also applies to compensation.

The advertising experience of the mutual companies is quite interesting. Stock companies individually and collectively spend about \$1,000,000 a year in newspaper and periodical advertising; the mutual companies, including the casualty group, spend about \$100,000 a year. Most of this is spent in the "Saturday Evening Post." The report of Chairman Fitzgerald of the advertising committee was a masterpiece of analysis of advertising values. The association voted to make the same appropriation this year.

Needs of the Farmer

In the large section devoted to farmers' mutuals practically every phase of farm insurance problems was gone over by the various speakers. The insurance needs of the farmer, as distinguished from other classes of buyers, were clearly covered by one speaker, who showed that the farmer needs practically all the same kinds of coverage that other people do and some in addition, due to the fact that he is affected by the hazards of nature. C. A. Donnell of the United States Weather Bureau discussed windstorm and hail storms in the United States. There was another address on the cost of wind-

(CONTINUED ON PAGE 39)

Fine Program at Mutuals' Meeting

Kemper Presents Impressive Picture of Growth of This Type of Insurance

SLATED FOR ELEVATION

Representatives of Participating Carriers Travel from Distant States to Chicago Sessions

An impressive picture of the growth of mutual insurance in this country was presented at the annual meeting of mutual companies and their representatives at the Stevens hotel in Chicago this week by James S. Kemper, head of the Kemper group of mutuals at Chicago, president of the Federation of Mutual Fire Insurance Companies and vice-president of the National Association of Mutual Insurance Companies.

Mr. Kemper said mutuals have in force over \$44,000,000,000 of fire insurance on property in the United States. In the first six months this year, he reported, 50 representative mutuals in the federation had a net increase of insurance in force of more than \$170,000,000, or 3.5 percent. In the same period the assets increased 10 percent and surplus increased 13 percent.

Satisfied With Record

All have been able to continue a return of substantial dividends to policyholders, he reported, due to the satisfactory loss and expense ratios. The average loss ratio of the 50 companies in the first half year was 38.6 percent, an increase of only one-half of 1 percent over the same period last year.

"It is to the credit of mutual fire insurance," Mr. Kemper said, "that almost without exception the directors and officers of individual companies during the boom years of 1927, 1928 and the early part of 1929, continued their policy of more than a century of investing only in securities of the highest type. As a result the companies are now in a position to devote themselves to their underwriting problems with little, if any, concern for the investment situation."

He characterized the insurance premium tax as an unjust discrimination against the purchaser of an insurance policy.

Mr. Kemper according to precedent probably will be elected president of the National Association of Mutual Insurance Companies. It is also likely that Thomas G. McCracken, vice-president of the Retail Hardware Mutual of Minneapolis, will be elevated to the presidency of the federation.

Governors Elected

Five new members were elected to the governing board of the Federation of Mutual Fire Insurance Companies as follows: For three years: A. D. Baker, president, Michigan Millers Mutual Fire, Lansing, Mich.; Justin Peters, president, Penn Lumbermen's Mutual, Philadelphia; C. M. Hutchison, secretary, Millers Mutual Fire, Harrisburg, Pa.; E. J. Brookheart, secretary, National Mutual, Celina, Ohio. For one year: Eliot R. Howard, secretary, Middlesex Mutual Fire, Concord, Mass. The invitations committee of the national association unanimously recommended Columbus, O., as the next annual meeting place.

There were approximately 500 delegates from every quarter of the country attending the convention of the two organizations. Sessions began early, permitted only a short time for lunch and

(CONTINUED ON PAGE 39)

THE SATURDAY EVENING POST

Wear your furs without worry . . .

Of course, there are many dangers threatening your valuable furs... fire, hold-up artists, irresponsible checking at hotels, theatres and restaurants. But Alliance Fur Insurance covering all such hazards can be secured at reasonable rates so that you can enjoy the most expensive of furs without fear of financial loss.



Ask your
ALLIANCE

Foch's speech to his troops after the Battle of the Marne, 1914.

"We will facilitate the time by our governments prolonged; it's for us and it will expire Monday, at eleven o'clock.

One surmises that triumph, Foch recalled that he was avenging suffered by the favor boyhood.

Captain von Held patched to Spa, where he was asked for an explanation of his points. They were glibly emphasized its purity, Weygand and were assigned for Germans did not co-operate. They protested that they had withdrawn many machine guns in order to maintain allowed for withdrawal. Rhine was too short to prevent that the material and the sure material were instrumental to paralyze the task of the enemy.

Foch meantime had message. Clemens well, and he followed report that the Germans in principle the army in his hands and checked himself. I'm no hero; this was all of a sudden. In the defeat, the Alsace-Lorraine wiped out. Sure He hurried next confirmation from

Opening the season for greater profits in Fur Insurance for Alliance Agents.



THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Head Office: 1600 Arch Street, Philadelphia

CHICAGO
209 W. Jackson Blvd.

SAN FRANCISCO
231 Sansome Street

ATLANTA
8th Floor, Hurt Bldg.

Briefs at the Ad Conference

C. E. ("Tex") Rickerd, Standard Accident, was very busy presenting his newly acquired bride to his friends. He was married Oct. 1 to Miss Mae Connally of Saginaw and Detroit. Mr. and Mrs. Rickerd will take a honeymoon trip to Quebec, Montreal and other eastern points before returning to Detroit.

* * *

Hollis L. Brownell, local agent at Waterhen, N. Y., has just devised a newspaper cut service for local agents which he introduced at Toronto. It is called "Famous Insurers of History," and is designed for insertion in a local paper once a week. A famous figure of history is featured each week. Each advertisement has a definite insurance message. It will be marketed at a low price. Mr. Brownell is president of the Brownell-Eager Corp. of Watertown and is prominent in the councils of the New York Agents Association.

* * *

Clarence Axman, the erudite editor of the "Eastern Underwriter," looked in on the meeting the first day and then moved on to Pittsburgh to attend the American Life Convention.

* * *

C. W. Van Bynum, Travelers, attended his first Advertising Conference meeting, except for the one held at Hartford. Mr. Van Bynum heads what is probably the largest advertising department maintained by any company. At the moment his company and his department are especially interested in highway safety.

* * *

This year's display of the material produced by advertising departments was easily the most comprehensive yet shown. Examples of direct mail, newspaper, trade paper and novelty advertising were shown, exhibits being sent from nearly every important conference company. The display occupied half of the large roof garden and was one of the convention features.

* * *

Sunday was "Get Acquainted Day." In the afternoon there was golf at the Royal York Golf Club and for non-golfers a sightseeing tour which was concluded with tea at the Old Mill Tea Gardens. With the old timers, the meeting really starts on Sunday, the informal dinner on Sunday evening being regarded by them as the curtain raiser.

* * *

Chuncey S. S. Miller, North British, still reigns supreme as the Beau Brummel of the organization. As this year's president Mr. Miller felt himself under the necessity of presenting something unusual in the way of a presidential costume. Accordingly, on the first day he greeted visitors in a morning coat

and an Ascot tie that was at once the envy and despair of all rivals. It caused them to give up any further effort.

* * *

These two committees were appointed by President Miller to function throughout the convention:

Nominating—C. E. Rickerd, Standard Accident, chairman, and R. B. Magee, Lamar Life; C. T. Stevens, Phoenix Mutual Life; B. N. Mills, Bankers Life of Iowa, and Harold E. Taylor, American of Newark group.

Resolutions—Stuart Anderson, Penn Mutual Life, chairman, and C. W. Van Bynum, Travelers; Bart Leiper, Pilot Life; J. P. Lyons, Manufacturers Life, and Stanley Withe, Aetna Life.

* * *

The dinner-dance on Tuesday evening was the entertainment feature of the meeting. It was a swanky affair. The extensive program of vaudeville acts was furnished through the courtesy of the Canadian Life Officers Association.

* * *

There was a rather noticeable absence of casualty men. A representative turnout of fire and life advertising managers was in evidence, but only a sprinkling of casualty companies were represented.

* * *

Group sessions featured the meeting. There was, though, a decided difference in the group meetings held. The gatherings of the fire and casualty men were informal; rather free and easy. There were no set speakers. They were in the nature of experience meetings.

The life group meetings were the exact opposite. They were given over to scheduled speakers, many of whom read prepared papers. There was little impromptu discussion. The tone was serious and businesslike. The atmosphere of both seemed to suit those who attended them.

* * *

A distinctly Canadian flavor pervaded the meeting. In all eight scheduled Canadian speakers were heard. Canadian advertising managers have made remarkable strides in popularizing life insurance through daily newspaper advertising, and they were listened to with respect whenever they spoke.

* * *

This year there was distributed for the first time an exhibits catalogue and year book. It was the handiwork of Robert H. Pierce, Aetna Life, chairman of the exhibits committee. It was a guide to the exhibits and the 23 kinds of advertising displayed. A beautiful job typographically, it was evidently financed by the advertisements it contained from the insurance papers, printers, engravers, advertising agencies and others catering to advertising departments.

Blue Goose Head Appoints Two Standing Committees

W. F. C. Fellers, most loyal grand dander, has reappointed C. M. Cartwright of THE NATIONAL UNDERWRITER, chairman of the Blue Goose employment committee. He will be assisted by Clarence Axman, New York; Cyrus K. Drew, San Francisco; T. W. Dealy, Atlanta, Ga.; Young E. Allison, Jr., Louisville; D. A. Hanson, Montreal; John Fanning, Toronto; George A. Watson, New York; Alonzo Church, New Orleans, and Irving Williams, Indianapolis.

P. J. V. McKian, fire prevention department, Western Actuarial Bureau, Chicago, has been reappointed chairman of the educational committee of the grand nest by Mr. Fellers. Six new members are appointed on the committee: L. A. Watson, Newark; G. L. Schetky, Vancouver, B. C.; T. R. Weddell, Chicago; J. H. Schively, San Francisco; R. R. Deardon, Jr., Philadelphia and E. L. Gilbert, Los Angeles.

The most recent entries in the **International Fire Waste Contest** conducted by the National Fire Waste Council, under the auspices of the insurance department of the Chamber of Commerce of the United States, are: Paris, Ill.; Fremont, O.; Geneva, N. Y.; Bluefield, W. Va.; Hattiesburg, Miss.; Marion, N. C.; Pullman, Wash.

South Dakota Prevention Association Holds Meeting

WATERTOWN, S. D., Oct. 7.—The South Dakota State Fire Prevention Association held its annual meeting here, reelecting the present officers: President, W. F. Benbow, Graat American; vice-president, N. P. Wenge, St. Paul F. & M.; secretary, W. I. Rowe, North British. Commissioner, C. R. Horswell gave an interesting talk pledging the support of his office to the fire prevention work.

Several Changes Made

The new title, as above, was adopted, and new by-laws and constitution conforming to the wishes of the Western Actuarial Bureau. It was moved that arrangements be made to inspect four towns in southern South Dakota the last week of October.

Burt Burton, Home of New York, is chairman of the southern scout committee which will complete arrangements for towns to be inspected, to be selected from the following: Geddes, Lake Andes, Wagner, Ravina Academy. Twenty-six members present pledged their support and will devote this week to fire prevention work. G. W. Funk, executive special agent Great American, gave an interesting talk.

NEW REDUCED RATES

(Effective October 10)

THE ever increasing volume of business given us by thousands of Agents from all sections of the United States has made it possible for us to make a

SUBSTANTIAL RATE REDUCTION

with an entirely **new** method of determining charges, making it possible for the Agent to get all his money with full commission immediately and at the same time eliminating sales resistance formerly encountered.



NOTE NEW RATES:

Total Premium	Service Charge
Up to \$ 300	10 equal payments..... 3 %
\$ 300 to 1000	10 equal payments..... 2 3/4 %
1000 to 5000	10 equal payments..... 2 1/2 %
5000 upwards	10 equal payments..... 2 1/4 %

(Proportionate Rates for Shorter Term)

Write for complete information to the pioneer in the field of Insurance Financing.

Available to Responsible Agents only.

FIRST BANCREDIT CORPORATION

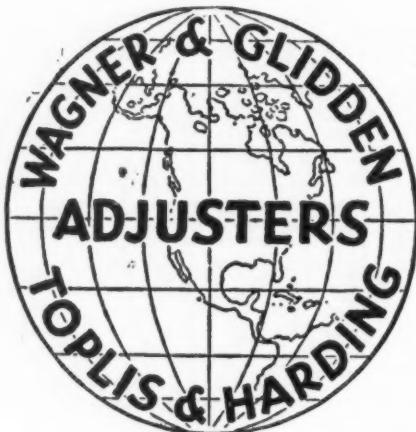
WRIGLEY BUILDING
CHICAGO

We will occupy new enlarged quarters after October 24, 1931
at 120 S. La Salle St.



SERVICE UNEQUALED

ALL OVER THE WORLD



An organization of specialists in the handling of all claims, including—

AUTOMOBILE — AVIATION — USE & OCCUPANCY — FIRE — TORNADO — RENTAL — SPRINKLER LEAKAGE — FURS — JEWELRY — ALL RISK BURGLARY — LIVE STOCK — BLANKET BONDS — RADIUM — FINE ARTS.

CHICAGO — NEW YORK — PHILADELPHIA
LOS ANGELES — SAN FRANCISCO
MONTREAL — LONDON — MANCHESTER
STRASBOURG — ANTWERP — GENOA
ALEXANDRIA — CAIRO — SHANGHAI
PARIS — MARSEILLES — NICE

Represented in every principal city in the world



Plan for National Brokers' Association Is Taking Shape

LAVIN REPORTS ON PROGRESS

Contacts Established with Local Organizations from Pacific to Atlantic Coast

The movement toward formation of a national association of insurance brokers steadily is gaining ground, it was made evident in a report at the quarterly meeting of the Insurance Brokers Association of Chicago. President F. P. Lavin and Arthur Gallagher reported on contact with brokers associations of other cities extending from the Pacific Coast to the Atlantic seaboard, indicating a keen interest in many quarters in the project. Mr. Gallagher will attend the meeting of the New York Brokers' association next month when it is anticipated plans will move forward. The brokers are extending their horizon.

President Lavin commented that he finds his interest lies in all insurance matters throughout the country. He said he reads the insurance papers faithfully, finding news and articles of practical benefit to him although they may relate directly to matters elsewhere. He advised the members to keep up to date by reading the trade press. He said he finds the best opportunity at his home after working hours, where he has his insurance papers addressed.

Fred C. Bracken, chairman publicity committee, reported that the committee corresponded with the National Board over the fact that in the national advertising campaign sponsored by that organization the word "broker" appears only once. The committee urged that a large proportion of fire business is sold in Chicago and many other cities by brokers and that they are entitled to equal recognition with agents. Mr. Bracken asked that mention in the campaign be shared equally to brokers.

A changed policy on the part of the grievance committee was reported on by Chairman Berger, who asked that brokers report only matters relating to general policy affecting members directly or indirectly, and not grievances which should be ironed out between brokers and agencies without resorting to the brokers' association. One item in the grievance committee's new policy is to send a committee of four members to take up with banks the matter of policies returned in cases where banks have loaned on the insured property. This so-called encroachment by banks has been troublesome to Chicago brokers.

Other committee reports were rendered by George M. Eddy, acquisition cost; John Stagle, membership; John J. Garrity, legislative.

Valuations Sub-Committee Holds Its First Meeting

NEW YORK, Oct. 7.—As his associates upon the committee to recommend a formula for valuing securities in preparing annual statements for 1931, authorized at the annual convention of the National Convention of Insurance Commissioners at Portland, Superintendent G. S. Van Schaick of New York named C. G. Gough, deputy commissioner of New Jersey; Commissioners Brown of Massachusetts and Hanson of (CONTINUED ON PAGE 39)

Wanted to Buy

General Insurance Agency. Located in Cincinnati. Address U-31, The National Underwriter.

Dreher Lands I. A. C. Trophy, Highest Award



RAY C. DREHER

At the annual meeting of the Insurance Advertising Conference at Toronto this week the I. A. C. trophy award for "the outstanding contribution of the year to the advancement of insurance advertising" was presented to Ray C. Dreher, advertising manager of the Boston and Old Colony. This is the highest recognition that insurance advertising can get. For many years Mr. Dreher has been producing advertising material that has been distinguished and striking in its conception, but his work of the past year has been especially outstanding.

The award was made because of Mr. Dreher's "Making More Money" campaign. This plan was designed to get definite and tangible results from insurance trade paper advertising. In the first place Mr. Dreher used copy that was unusual in design and execution. The illustrations were fine examples of modern art. A special type face, imported from Germany, was employed. But it was in the follow through that Mr. Dreher's campaign was most comprehensive.

Seven Aids to Agents

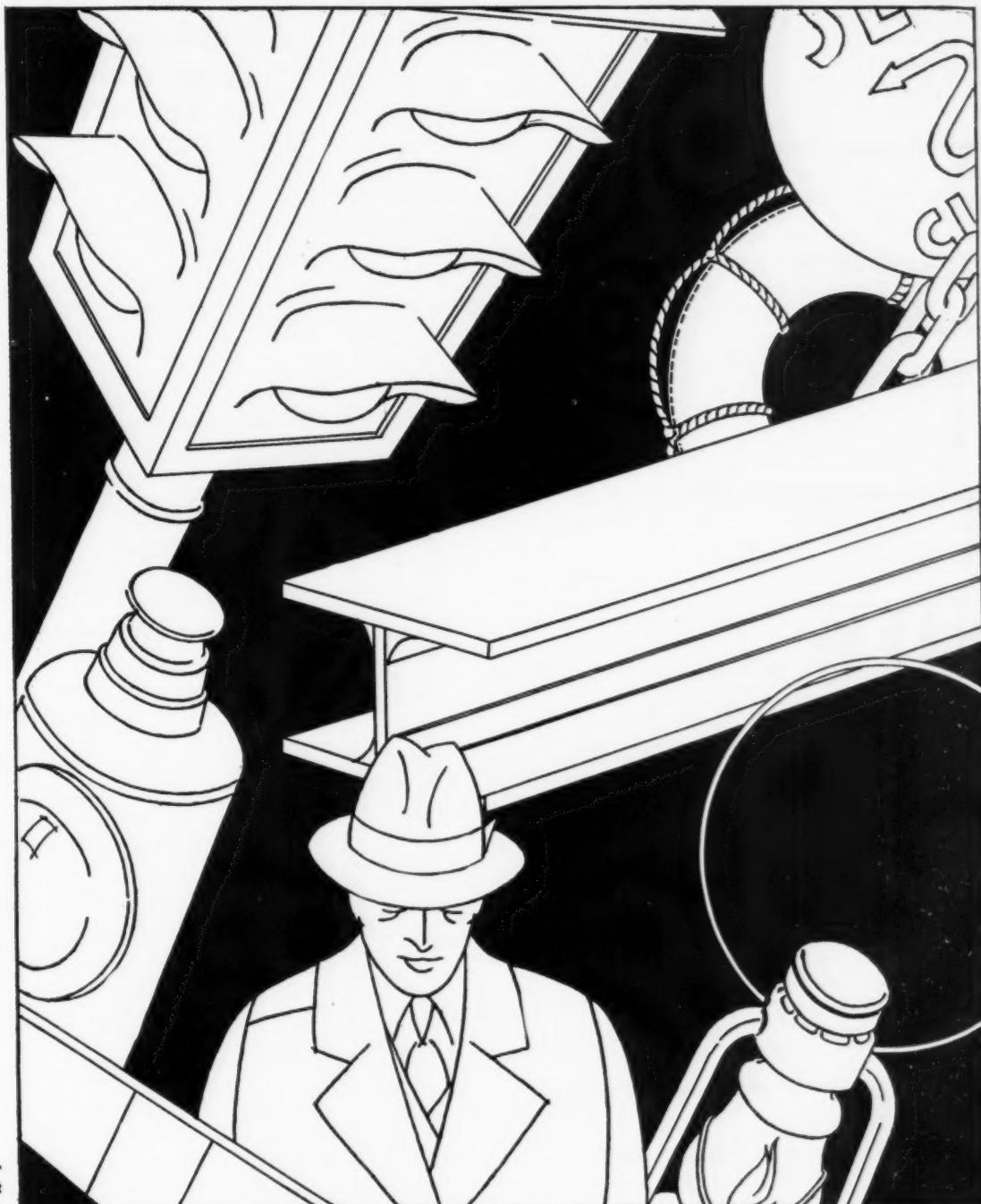
Every inquiry received was put through the same detailed process. When a prospective agent responded to an advertisement in one of the insurance journals he was at once sent a copy of the booklet "Making More Money" which outlines the Boston's seven ways of helping agents make more money. These are: (1) The company; (2) the field men; (3) lines written; (4) advertising department; (5) folders; (6) house organ (7) the sales manual "Insurance Coverages."

The field man in the territory was notified to call personally and display the company's business building sales letters, advertising folders, sales manual, etc. These were personally shown by the field man, not mailed. The appointment made, Mr. Dreher then arranged either by mail or through the field man, to have the agent fill out a questionnaire outlining the facts regarding his agency and business; the character and extent of advertising now being done; the kinds of business written; business getting methods, ambitions and objectives—a complete picture of the agency. There was then furnished an advertising program designed individually for that agency and based on an understanding of its problems and set-up—not guess work.

Praise Completeness of Plan

The judges were struck by and commented on the completeness of the plan. One called it "intelligent;" another remarked, "good merchandising," and still another said of it, "Most distinguished."

(CONTINUED ON PAGE 37)



Established in 1869, the London Guarantee is one of the oldest and strongest casualty companies in the world.

MODERN ACCIDENT PROTECTION

People live today in a constantly enlarging maze of personal accident hazards. As in other lines, London Guarantee Personal Accident Policies are designed to fit the times. London Guarantee Agents find this comprehensive group of policies profitable to themselves and best for their clients.

LONDON GUARANTEE AND ACCIDENT COMPANY, LTD.
J. M. Haines, United States Manager » Fifty-Five Fifth Avenue, New York

By all means let us all
Enavor to begin now to
Get a head-start for
Increased business in 1931-32—right
NOW

with the cooperation of our

Advertising,



Business-Building

Departments—

All eager to help you

Publicity,

Advertising Award Winners Announced at Annual Confab

TORONTO, Oct. 7.—Winners of the annual awards offered by the Insurance Advertising Conference for excellence in various branches of insurance advertising were announced at the opening session of the convention here.

The three major prizes, so-called, were won by the following companies: The I. A. C. Trophy, for general excellence in material submitted, to the Boston and Old Colony. The Conservation Cup, for the best printed matter to encourage conservation of business, to the Prudential Insurance Company of America, Newark, N. J. The Rough Notes Plaque, for the best insurance trade journal advertising, the Springfield Fire & Marine.

In addition to the winners two companies were selected in each of these three competitions for honorable mention: I. A. C. Trophy: Aetna Casualty and Great West Life. Conservation Cup: Northwestern National Life and Connecticut Mutual Life. Rough Notes Plaque: America Fore and Fidelity & Deposit.

Other companies awarded certificates of distinction as the winners in various classifications follow:

House Organ Award

House Organs: Connecticut Mutual Life group: Connecticut Mutual, first; Reliance Life, second. Fire and casualty group: Standard Accident, first; American of Newark, second.

Single Folders: Equitable Life of New York. Life: Equitable Life, first; Connecticut Mutual, second. Fire and casualty: Aetna Casualty, first; Boston, second.

Series of Folders: Boston. Life: Connecticut Mutual, first; Imperial Life, second. Casualty: Boston, first; Standard Accident Co., second. Fire: Honorary citation to American (only entrant).

Posters and Window Display: Liverpool & London & Globe; Aetna Casualty, second; Equitable Life of New York, third.

Field Service Material: Best by Standard Accident Company. Greetings Cards: Provident Mutual. Novelties: Protective Life. Calendars: Great West Life. Blotters: Aetna Casualty; second, Union Indemnity; third, Equitable Life of Iowa.

Campaign Promotional Material: Equitable Life of Iowa. "Ad" Service: Boston; second, Aetna Casualty; third, Great West Life.

Sales Presentation Material: Jefferson Standard; second, Monarch Life; third, Imperial Life. Honorary citation, Royal Indemnity. Agent Instruction Material: Monarch Life; second, Reliance Life; third, Aetna Casualty. Honorary citation, London Assurance. Leaflets and Postcards: Connecticut Mutual; second, Confederation Life; third, Atlas Life.

Booklets: Provident Mutual; second, Travelers; third, Imperial Life. Literature for Procuring New Agents: Equitable Life of Iowa; second, Connecticut Mutual; third, Boston. Company Literature: American of Newark; second, North American Life; third, Reliance Life. "Agent's Helps" Material: Honorary citation to Southland Life.

Broadsides: Reliance Life. Sales Letters: (direct mail material): Standard Accident; second, Penn Mutual; third, Provident Mutual; honorary citations to Boston and to Bankers' Life. Policy Jackets: Honorary citation to Imperial Life.

New York Brokers Meet

NEW YORK, Oct. 7.—B. R. Mowry, manager Central Bureau for the Collection of Earned Fire and Casualty Premiums, will tell of its activities at the monthly meeting of the General Brokers Association here Oct. 14.

AMERICAN INDEMNITY COMPANY GALVESTON

C. S. KUHN, Vice President

COMPLETE AUTOMOBILE PROTECTION FIDELITY AND SURETY BONDS

Desirable
general agency
contracts
available in
unallotted territory



Whatever any
other companies
do for their agents
within the bounds of
sound, ethical business
and good underwriting
practice, we will do.

FIRE WINDSTORM AUTOMOBILE INSURANCE

AMERICAN Fire & Marine INSURANCE COMPANY GALVESTON

E. C. FRENCH, Vice President

BEGIN NOW!

AS SEEN FROM CHICAGO

PLAN CELEBRATION

Plans for the silver anniversary celebration of the Illinois Blue Goose to be held at a banquet in the Hotel LaSalle, Chicago, Oct. 26, are fast taking shape. The silver anniversary committee, of which J. F. Stafford of the Sun is chairman, met Tuesday. The speakers soon will be selected. The Illinois Pond was started Oct. 26, 1906. The silver anniversary committee is an imposing aggregation of past most loyal ganders of the Illinois pond, and also includes W. J. Sonnen of the St. Paul, past most loyal grand gander. Other committee-men are J. T. McCarthy, Millers National; Lea Lewand, Western Adjustment; C. J. Lingenfelder, America Fore; J. J. Meyer, Automobile of Hartford; R. W. Tapper, Rhode Island; R. F. Woltersdorff, Atlas, and P. J. V. McKian, wielder.

* * *

CORNELIUS' NEW CONNECTION

H. W. Cornelius, for the past several years head of H. W. Cornelius & Co., insurance stock specialists in Chicago, has decided to discontinue the operation of his own office and has assumed the management of the bank and insurance stock department of Morrison & Townsend, 208 South LaSalle street. Mr. Cornelius is a recognized authority on insurance stocks, having specialized in the sale of them for more than 20 years.

* * *

INSURANCE MEN LEGION WINNERS

Insurance men figured prominently in the election of officers of the Advertising Men's Post of the American Legion in Chicago. Frank Gagen of the P. B. Hobbs agency of the Equitable Life of New York was elected commander of the post. Fred I. Sipp, assistant super-

Veteran Dead



WILLIS S. HERRICK

Willis S. Herrick, former prominent local agent of Chicago, who in recent years had given almost all his time to the Avenue State Bank of Oak Park, Ill., of which he was president, died last week following a stroke of paralysis. Mr. Herrick started in business in the old R. S. Critchell & Co. agency in Chicago and later bought an interest in the old Pelet & Hunter agency, forming a partnership with Benjamin Auerbach, the firm name being Herrick & Auerbach. Later S. S. Vastine was taken into the firm and it became Herrick, Auerbach & Vastine. This office did both a general and local agency business.

intendent automobile and transportation department Hartford Fire, was named treasurer. Two insurance men elected directors are James McNamara of the Courtenay Barber agency of the Equitable Life and Harry M. Nelson, superintendent survey department Hartford Fire. Mr. Nelson is the retiring treasurer.

While insurance men were on the winning ticket, there were also insur-

ance representatives among the defeated candidates. H. J. Falvey of Rollo, Webster & Co. was defeated for second vice-commander, while C. E. Thorsen, a broker in the offices of Critchell, Miller, Whitney & Barbour, and Robert McFerrin, Medical Protective, were defeated candidates for director.

F. RAY NEVIN DEAD

F. Ray Nevin, special agent in northern Illinois for the Fidelity & Guaranty Fire, operating out of the Cook county department in the Insurance Exchange, Chicago, died suddenly at his home in Chicago, presumably from heart disease. No successor has been appointed

by Manager Flinn. Mr. Nevin started in the western department of the National of Hartford in Chicago as a boy and worked up through various departments until he became special agent. He traveled the Illinois field for the National for a number of years and went with the Fidelity & Guaranty about a year ago.

CHICAGO BOARD NOMINATIONS

The nominating committee of the Chicago Board has selected as candidates for election to the executive committee A. W. Jenkinson, Northern of England; Robert Cunningham and Charles R. McCabe, of McCabe & Hengle. The



- **Fasces—a bundle of rods and an ax. Symbolic of strength and ability. You can break one stick but not a bundle. Safety in numbers—in working a number of lines. The projecting blade is the entering wedge—the line which turns the prospect into your customer.**
- **How this is done and competition overcome is explained in the new booklet "Making More Money". Write us.**

BOSTON INSURANCE COMPANY OLD COLONY INSURANCE COMPANY

87 Kilby Street, Boston, Massachusetts

election will take place at the quarterly meeting, Oct. 22. The retiring members of the committee are F. S. Danforth, Millers National; Lyman M. Drake, Critchell, Miller, Whitney & Barbour, and R. M. Magill, Wiley, Magill & Johnson.

* * *

FIELD CLUB TO MEET

The Cook County Field Club will hold its first fall meeting at the Hamilton club, Chicago, Oct. 12. Ernest Palmer, manager Chicago Board, and E. M. Ackerman, secretary-treasurer Insurance Federation of Illinois, will discuss the new brokers' and agents' qualification laws.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

TRY TO GET LLOYDS CONTRACT

J. F. Guinness, who recently resigned as vice-president of the National Union, and S. B. Hopps, who had a nationwide brokerage binding contract for the company until it was recently cancelled by President J. M. Thomas, are in London and other cities abroad trying to get a similar contract with London Lloyds, and also to arrange for reinsurance facilities. Mr. Hopps had connections in

large cities which acted as feeders for his department.

* * *

BASSETT COMMENTS ON SALARIES

President Neal Bassett of the Firemen's group in announcing a reduction of 10 percent in salaries declares that this is a period of readjustment which is made necessary in every line owing to business conditions. He stated that the management hoped that conditions

would improve so that it would not have to make any salary readjustment. The improvement has not come.

* * *

NEW YORK PROPERTY VALUES UP

Property values in New York City increased \$1,117,166,654 the past year, according to tentative assessment figures just made public. The most valuable single piece of real estate is the Empire State building, which is held at \$42,000,000. Insurance office buildings values are listed as follows: 80 Maiden Lane, headquarters of the America Fore companies, \$4,450,000; Mutual Life, \$10,500,000; Royal, \$6,250,000; Metropolitan Life, including annex, \$16,200,000 and the Equitable Life, \$15,000,000. The National Board structure is assessed at \$1,600,000.

* * *

REGRET PITCHER'S RETIREMENT

Much regret has been expressed over the retirement of C. R. Pitcher as deputy manager of the Royal. A number of insurance organizations have passed resolutions of regret, the most recent being the eastern advisory committee of the National Automobile Underwriters Association, which recorded that "over a long period of time Mr. Pitcher has given generously of his time, thought and energy in promoting the best interests of the automobile insurance business. His fine traits of character, ability and personality have won him the high regard and respect of this committee and his wide general insurance experience and sound advice have been of immeasurable value."

* * *

HOADLEY BACK AT DESK

After several weeks spent motoring through England, Wales and France in company with his wife, Secretary Frederick Hoadley of the American of Newark is again at his desk wrestling with such commonplace matters as schedule rates, use and occupancy covers, automobile policy forms and the like, not to mention the collection of agency balances, subjects that were completely forgotten when he was far from the madding crowd during the summer months. While in England less attention was paid by Mr. Hoadley to the sights of London than to the natural charm of Devonshire and its adjoining counties, while the appeal of France was rather in the province of Normandy than historic Paris. An appreciative traveler, Mr. Hoadley gets more enjoyment out of his vacation outings probably than does the average business man.

J. J. Husak Resigns

James J. Husak, with the Milwaukee Mechanics as chief of the accounting department for many years prior to the merger of that company with the Firemen's group, has severed his connection. He has devoted much time to the study of insurance accounting in its various branches and intends to continue his career, although he has as yet no definite plans for the future.

Neely Heads Philadelphia Mutual

J. H. Hutchinson, who has been president of the Mutual Fire, Marine & Inland of Philadelphia since May, 1903, has resigned and is succeeded by Walter C. Neely. Mr. Neely was once connected with the insurance department of the Pennsylvania railroad. Later he became a fire inspector and then marine adjuster. He became secretary of the Mutual Fire, Marine & Inland in March, 1920, succeeding C. N. Rambo, who became manager of the Railroad Insurance Association of New York.

Mr. and Mrs. **J. V. McCabe** are visiting Mr. McCabe's brother, Charles McCabe, Jr., at Long Beach, Cal., where Mrs. McCabe won a Ford car in a church bazaar. Mr. McCabe is a member of McCabe & Hengle, Insurance Exchange.

Fred D. Hess, assistant western manager of the American of Newark at Rockford, Ill., was a Chicago visitor the early part of this week.



General Agent

Krehla

says . . .

"OUR agents have found that they do not have to represent a big company in order to get real help in selling insurance . . . as long as they have the Twin City in their office."

If you are interested in representing a company small enough to appreciate good business and big enough to help an agent get it, write to

TWIN CITY
Fire Insurance Company
MINNEAPOLIS

CHANGES IN THE FIELD

Illinois Field Rearranged

American of Newark Group Makes a Division of the Field in Three Sections

The American of Newark has divided the field work in Illinois into three major groups. Northern Illinois will be under the supervision of J. B. Fuller, special agent, with headquarters at the western department office, Rockford, Ill.; central Illinois under the supervision of John B. Tetlow, state agent, and D. Clay Cook, special agent, with headquarters at Peoria; and southern Illinois under the supervision of S. B. Ridgway, special agent, with headquarters at Centralia.

In addition to the foregoing, the office is transferring R. K. Johnson, special agent, who formerly was an assistant to Mr. Tetlow with headquarters at Rockford, establishing him as a special agent with headquarters in St. Louis. Mr. Johnson will for the present, in addition to his work in St. Louis county, have the responsibility of supervising the agents in St. Clair and Madison counties, Ill., both immediately adjoining St. Louis county, and a few cities and towns in eastern Missouri. This rearrangement of the field will provide a full time special agent in St. Louis county, a territory deserving closer attention than it has enjoyed in the past.

A. B. Becker

A. B. Becker has been appointed special agent of the Great American, American Alliance, Rochester American and American National for eastern Massachusetts and Rhode Island with headquarters in the Industrial Trust building at Providence. He has been connected with the home office for a number of years. He succeeds V. C. Metz, who has been transferred as special agent to the New England department of the Massachusetts Fire & Marine.

L. P. Frayser

L. P. Frayser has resigned as special agent for the A. H. Turner group of companies for Virginia and North Carolina, effective Nov. 1. He had been supervising that field for the companies for several years, with Richmond headquarters. Previously he was special agent for the Scottish Union & National in Virginia and the District of Columbia.

J. E. Bentley

J. E. Bentley has been appointed special agent for eastern Pennsylvania, southern New Jersey and Delaware by the State of Pennsylvania. He succeeds W. R. Gailey, who was made a member of the home office staff. Mr. Bentley will make his headquarters in Philadelphia. He has covered his present field in the past for the Liverpool & London & Globe and the Public Fire.

John M. Miller

John M. Miller is now supervising the business of the American Equitable and New York Fire in Arkansas, his headquarters remaining in Oklahoma City. Mr. Miller was formerly located at Little Rock as state agent of Corroon & Reynolds and was recently transferred to Oklahoma City to succeed the late A. M. Neilson.

P. P. Lynch, Jr.

Percy P. Lynch, Jr., Virginia state agent for the Great American and County Fire, has been called to the home office. It is understood that he will become an agency superintendent with supervision over southeastern territory, succeeding T. J. Southerland, who

left the Virginia field several years ago to accept that post. Mr. Southerland is going higher up.

K. R. Smith

K. R. Smith has been appointed special agent of the Great American and County Fire in North Carolina with headquarters in the Commercial Bank building at Raleigh. He succeeds N. J.

Heward of Chapel Hill. Mr. Smith has been traveling North Carolina for the North Carolina Home.

E. L. Kelley

Edward L. Kelley has been appointed special agent for the American National for all of Michigan with the exception of the northern peninsula. He will make his headquarters at 625 Shelby street, Detroit. Mr. Kelley formerly traveled Michigan and is well acquainted with that territory.

J. A. MacKinnon & Co., Edmonton, Alta., have been appointed general agents of the Homestead for Alberta.

Fire Protection Meetings Will Be Held in October

Three committees of the National Fire Protection Association will meet in October. The farm fire protection committee, David J. Price, chairman, meets in Chicago, Oct. 13; fumigation hazards, Eugene Arms, chairman, in Chicago, Oct. 14; dust explosion hazards, D. J. Price, chairman, in Washington, D. C., Oct. 20. The farm fire prevention meeting will be held jointly with the agricultural committee of the National Fire Waste Council.

Ohio Farmers Reputation Still Grows

The Ohio Farmers Insurance Company has had a reputation as a reliable, fair, and generous institution since it started business in 1848. Generous in cooperation with agents! Generous and prompt in settling just claims with policyholders!

This reputation is still growing. It is being added to daily. Standards established back in the '50s, '60s, and '70s are being improved in the '30s.

Agents who appreciate such a reputation and who can do their share in extending it are invited to write to the home office at LeRoy.



OHIO FARMERS INSURANCE CO.

Organized 1848

Le Roy

Ohio

The Ohio Farmers Insurance Company owns and operates the Ohio Farmers Indemnity Company, a casualty insurance running mate.

THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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139 Summer St., Weymouth, Mass., Tel. Weymouth 2158-R. J. M. DEMPSEY, Resident Manager
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Insurance—Great Bulwark of Safety

NEVER was a time when candor, good judgment, toleration, sympathy and an economic vision were required of state insurance commissioners as today, with insurance companies confronted as they are with so many vital problems. It would be nothing less than catastrophic if there should be an insurance panic. Today the public believes in insurance and insurance companies. A few have succumbed to the inevitable but at least policyholders have lost nothing. The business has been taken care of through reinsurance or amalgamation. Insurance stands today supreme as a great bulwark of safety.

The failure of a company or two in any particular line involving policyholders might lead to disaster up and down the line. Therefore the utmost care should be exercised in preserving companies that are really well managed and can work out of the present stress as soon as normal conditions come. Unfortunately there are some who would apply a very rigid rule to all companies. There are some so well fortified that they could meet any standard that might be set up. Others are less fortunate, although give them time and they will be able to give a good account of themselves. Never before have companies been subjected to so many vital forces that tend to destroy. Values of securities have been greatly reduced. These were purchased for an investment.

Insurance commissioners, in our opinion, must recognize the fact that companies are not required to throw their securities on the market and sell them at a sacrifice. They are to be held, at least some of them, for many years. The very best ones have been subject to depreciation. Assets that were counted gilt edged a few years ago are perhaps not worth even 30 or 40 percent of what they were in the period of abundant prosperity. Still the intrinsic worth is there.

Insurance Commissioner READ of Oklahoma, who was president of the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS, stressed in his presidential address at Portland what, in our opinion, should be the keynote in the supervising offices and that is to use every endeavor to keep companies upstanding and able to meet their obligations. Policyholders can be greatly harmed if commissioners demand the pound of flesh. A reasonable policy should be adopted. That is all that can be asked. Insurance can be saved and the great house kept in fine order if toleration, sympathy and courage are brought to play. Tremendous responsibility rests on these state officials. They need to have wisdom, knowledge, experience and foresight. The destinies of hundreds of thousands of people are in their hands. We believe that they will rise to the occasion and that not any injustice will be worked.

Chance Is Not a Big Factor

At times young people may feel that conspicuous success is achieved at a single bound. Any great achievement or reputation worth while is the result of hard work, patient endeavor, ambition and constant application to one's task. It is never the result of chance. Success comes from service rendered.

Satisfaction in Worth While Work

JOHN RUSKIN once said that the secret of life is not to do what one likes but to like what one has to do. There is real zest in working at a task that is ex-

hilarating and satisfying. When one feels that he is accomplishing something there is a feeling of enthusiasm in being able to achieve.

PERSONAL SIDE OF BUSINESS

H. G. Thomas, independent adjuster in Salt Lake City, died in that city after an illness of several weeks. He was a native of Liverpool and entered the business in England. He moved to Canada in 1912, engaging in the business there. In 1924 he went to Montana as adjuster for the Pacific Coast Adjustment Bureau and then went to Salt Lake City as local adjuster for the same company in 1927. Recently he had been in business for himself.

Miss Catherine Cavanaugh, private secretary to Secretary F. C. Schad of the Western Insurance Bureau, who also has charge of the work of the Illinois Field Club, attended the Bureau meeting at Briarcliff, N. Y., last week. Prior to her going she was presented with a traveling bag, a gift of the office force.

J. M. Bostwick, Milwaukee local agent, who recently received the 50-year medal of the Home of New York, observed his 94th birthday last week, and spent the day working at his desk as usual. Mr. Bostwick broke his hip five years ago, and since that time has been unable to walk, but he claimed "they can't keep me down much longer."

"Retire?" Mr. Bostwick was slightly scornful at the question. "Why I'd die in ten days if I quit. Right now I write insurance for 13 companies. I'm here at my desk every day. I started when I was 12 and didn't have a nickel, and I've never had any time to kill since."

Vernon E. Butler, 66, assistant treasurer of the Grain Dealers National Mutual of Indianapolis, died Oct. 2. He was in the grain business more than 25 years and was one of the organizers and first secretary of the Tri-State Mutual Fire of Laverne, Minn. He was elected a director of the Grain Dealers Mutual in 1906 and in 1914 joined the organization as supervising director. He was elected assistant treasurer in 1927. Because of his wide knowledge of the business, he was asked by the government to aid in investigation of terminal marketing practices in 1918-1919.

Charles Klenk last week completed 42 years of service with the Milwaukee Mechanics and severed his connection with the company. Mr. Klenk started with the company as a boy, and for many years had acted as office manager, also holding the title of assistant secretary.

Harry W. Hanson, Jr., son of the insurance superintendent of Illinois, was married to Helen Louise Jones, daughter of Mr. and Mrs. J. S. Jones of Springfield, Ill. Mr. Hanson is connected with the Illinois insurance department.

Paxton Mendelsohn, chairman fire prevention committee Detroit chamber of commerce, has been appointed chairman of the fire casualties statistical committee of the National Fire Waste Council. He succeeds Dr. Frank A. Fall of New York, recently resigned.

J. Owen Stalson, newly appointed general agent of the Home Life of New York in Chicago, held a house warming in his new agency quarters, Room 1455, One LaSalle street building, attended by some 75 friends and associates.

J. A. Searles, leading agent of Marion, Ind., and vice-president of the Indiana Association of Insurance Agents, was presented last week with a 25-year service badge by the Continental. A number of company representatives attended the presentation at his home in Marion, including C. J. Lingenfelter, agency superintendent western department, Chicago; Maurice Cravens, inland marine department; Carl Nipp, Indiana state agent Continental; E. P. Carson, spe-

cial agent American Eagle; E. L. Stephenson, manager Fidelity & Casualty, Indianapolis, and D. V. Scott, Indiana special agent of the farm department.

One of the deans of Michigan field men passed late last week in the death of Henry C. Klockseim, 85, veteran state agent for the Eureka-Security Fire & Marine. Mr. Klockseim died at the home in Lansing, Mich., after a very brief illness. He had been attending to his regular business affairs up until a short time ago. He was a director of the City National Bank of Lansing and was active in civic and fraternal circles. He was much loved among the older field men of the state and was a close friend of Commissioner Livingston, himself formerly in the field for the Royal Exchange. Mr. Klockseim was a native of Prussia. He came to this country as a young man and entered business at LaPorte, Ind. More than a half-century ago he went to Lansing and for a time he operated a local agency there. He had been with the Eureka-Security for more than a score of years.

Judge C. S. Younger, former Ohio superintendent of insurance and general counsel of the State Automobile Mutual, has been elected president of the American Insurance Union, Inc., of Columbus. He succeeds I. B. Lentz, Columbus local agent, who has been head of the American Insurance Union since the death of the late John J. Lentz.

James H. Buffinton, 63, president of James H. Buffinton & Co., one of the leading agencies of Fall River, Mass., died at his summer home in Yarmouthport, Mass. Mr. Buffinton was as well known in Rhode Island as Massachusetts. He took an active part in civic work in his home city and had been for three years president of the Insurance Federation of Massachusetts.

Walter D. Young, one of the most beloved and best known special agents on the Pacific Coast, died Sept. 30. Mr. Young was taken suddenly ill while vacationing at Lake Tahoe and died while en route to Reno for attention. A special agent of the Niagara since the establishment of the Pacific Coast department in 1912, Mr. Young was one of the keenest wits in the business. No Blue Goose gathering, no agents' convention or other gathering of fire insurance folk in that territory was complete without him. Mr. Young had also won considerable fame as a golfer.

Thomas H. Anderson, Pacific Coast manager of the Liverpool & London & Globe, former president of the Fire Underwriters Association of the Pacific, is wearing the "smile that won't come off." He is now "Grandpa Anderson," his daughter, Mrs. Stanley Stillman, having given birth to a son Sept. 30.

The election of Tom P. Ellis to the presidency of the Dallas Insurance Agents Association has met with the hearty approval of its members. Mr. Ellis has been in the insurance business for a number of years and he has always been an ardent worker in association affairs, having served as secretary of the Texas association in 1915. Coming to Dallas from north Texas in 1905, Mr. Ellis joined the Phipps Insurance Agency, where he served until 1913. The agency at that time was sold to the Citizens Bank & Trust Co., and Mr. Ellis was appointed manager.

In 1916 when the bank liquidated Mr. Ellis joined the Rucker-Hartsill Agency, buying an interest in it. It was then known as the Rucker, Hartsill & Ellis agency and is the foundation for the present agency of Ellis & Smith. Dallas Smith, another wheelhorse in association work, bought Mr. Rucker's interests in 1921.

There is No Depression

IN DEPRESSION-PROOF SECURITIES

The Record of Nine Panics

New York City guaranteed first mortgages, issued through title and mortgage companies operating under the New York Insurance Laws, have passed through nine major panics and depressions without default in the payment of principal and interest:

- | | |
|--------------------------------------|--|
| 1. The Baring Crisis of 1891. | 5. The Panic of 1907. |
| 2. The Panic of 1893. | 6. The Depression of 1910-11. |
| 3. The Silver Depression of 1893-94. | 7. The War Depression of 1914-15. |
| 4. The Rich Man's Panic of 1903-4. | 8. The Post War Depression of 1920-22. |
| 9. The Depression of 1929-1931. | |

Today, at what we hope to be the end of one of the longest recessions since the 70's, these short term guaranteed securities still hold firmly, and command an active market with banking institutions and insurance companies, *at par!* Can any other security, in any class or any market, display a like record?

A Security's Best Testimonial is its Market

On June 30, 1931, over two-thirds of the outstanding guaranteed mortgages of State Title and Mortgage Company were held by financial institutions. The approximate distribution was as follows:

- 25% in amount was held by New York Savings Banks.
- 25% in amount was held by National and State Banks and Trust Companies.
- 18% in amount was held by Insurance Companies.

Over 80% of all mortgages sold by State Title and Mortgage Company during the current year were purchased by financial institutions.

THERE IS NO DEPRESSION IN DEPRESSION-PROOF SECURITIES

STATE TITLE *and* MORTGAGE COMPANY

CAPITAL, SURPLUS AND UNDIVIDED PROFITS OVER \$9,000,000

(Operating under the Supervision of the New York Insurance Department.)

NEW YORK, NEW YORK

Write today for offerings of New York guaranteed first mortgages yielding 5½% net

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

Start the Ball Rolling

Cleveland Insurance Board Members Will Listen to H. R. Manchester and C. O. Ransom Speak

CLEVELAND, Oct. 7.—The Insurance Board of Cleveland will open its regular monthly meeting Oct. 14 after the summer recess. The first meeting will be a noon luncheon and the program of speakers is announced by Clayton G. Hale, chairman of the program committee.

Principal subject of the meeting will be the "High Spots of the National Convention." Both H. R. Manchester and C. O. Ransom, will speak. Mr. Manchester is president of the board and national executive committee member. Mr. Ransom is vice-president of the board and national councillor for Ohio. Both were at the west coast convention and will outline the principal topics of the gathering.

A special table will be maintained for ladies who make reservations in advance. An invitation is issued to other Ohio boards to attend. Agency employees are also invited to be on hand.

Take Over Michigan F. & M. Work

Following the resignation of George C. Matt, veteran special agent of the Michigan Fire & Marine in Ohio, the company field work will be placed under the jurisdiction of the Springfield F. & M. field men, who will look after the entire group.

New Wheeling Fire Station

The new central fire station at Wheeling, W. Va., costing \$60,000, which was formally dedicated last week, was made possible through the efforts of a group of public spirited men in that city who banded together to secure subscriptions from business and professional men to underwrite the project. The same group

also brought about the construction of a new fire house at Edgwood, costing \$30,000, which was opened some months ago.

These improvements in the city's fire fighting facilities were badly needed, but no public funds were available for their construction, which was brought about only through the public spirit of these leading citizens.

Ohio Inspection Plans

Harry K. Rogers, fire clown, is to appear at three inspections conducted by the Ohio Fire Prevention Association within the next few weeks. He will be at Sandusky Oct. 15, Westerville Oct. 29 and at Fremont, Nov. 12. An inspection was held Thursday at Geneva. B. O. Evans, Cleveland, was the speaker at the luncheon.

Farewell for Klinefelter

F. H. Klinefelter of the Western Adjustment at Columbus, O., resigned this week and is leaving for southern California to reside. At a farewell dinner, presided over by Allen C. Guy, manager, Mrs. Klinefelter was presented with an electric clock.

Capt. Conway Recovering

Capt. J. J. Conway, chief of the Cincinnati Underwriters Salvage Corps, who underwent a serious operation some time ago, is now improving and he expects to be able to be put in a wheel chair this week.

Zanesville Agent Sentenced

W. A. Lorimer, Zanesville, O., local agent, was sentenced from one to ten years each on four charges of embezzlement, the sentences to be served consecutively. Several other indictments are pending against him. Mr. Lorimer's trouble grew out of his connection with the State Security Bank at Zanesville, which closed last January. Another agency has taken over his business.

CENTRAL WESTERN STATES

Gulf Licensed in Michigan

Texas Company Admitted Under New and Strict Law on Reinsurance Requirements

LANSING, MICH., Oct. 7.—Licensing of the Gulf of Dallas marked the first admission by the Michigan department of a reinsurance company under the strengthened provisions of the code as passed by the 1931 legislature. The Gulf is licensed for fire reinsurance only.

The new law provides that reinsuring carriers shall at all times maintain a standard of financial stability equal to that demanded of Michigan carriers and annual statements must be submitted to provide department officials with tangible evidence that the claimed status is actual. There is a specific prohibition, also, of the acceptance by a reinsuring carrier of business covering Michigan risks written directly by a carrier not licensed here.

Reduction in Licenses

LANSING, MICH., Oct. 7.—September saw a material reduction, for the second successive month, in the number of agents' and solicitors' licenses issued by the Michigan department. There

were 1,312 such licenses granted, according to Robert Morse, head of the licensing division, as compared with 1,398 in August. As there were approximately 325 cancellations during the month, including about 25 for cause, the total number of licenses in force in the state is now about 63,000. The number of licensed individuals is estimated to be well in excess of 20,000. Solicitors' licenses issued in September totaled 65 and 53 non-resident agents' licenses were granted.

Indiana F. U. A. Meets

Charles F. Thomas, secretary Western Underwriters Association, and C. H. Smith, assistant general agent western department Hartford Fire, attended the meeting of the Indiana Fire Underwriters Association Wednesday.

Plan 1932 Michigan Meeting

FLINT, MICH., Oct. 7.—Preliminary plans are already being made by the Flint Association of Insurance Agents for the entertainment next September of the state convention of the Michigan association. Headquarters will be at the Durant hotel. Committees are to be appointed soon to start work in preparation for the convention, which the Flint agents hope to make one of the most

memorable in years. Definite dates of the gathering have not yet been set but will be fixed by the governing committee.

Want Scout's Work Recognized

The Indiana State Fire Prevention Association favors awarding a merit badge by the National Council of Boy Scouts for preeminence in fire prevention work. Boy Scouts have been especially helpful to members of the Indiana association in their town inspection work for years past.

Bloomington Mutual Retires

The First National Mutual Fire of Bloomington, Ill., has retired from the field as of Sept. 30. Its writings were confined to farm business in Illinois. The company is quitting on account of general conditions. The officers feel that the future does not hold much promise for their particular line.

The Illinois department has been asked to take over the company for liquidation.

Webb Elliott Resigns

Webb M. Elliott, manager of the Decatur branch of the Western Adjustment, has resigned as of Nov. 1. He joined the Adjustment Company two and one-half years ago, going to Decatur from the Chicago office. He is a

former farm department manager and is considered a competent man.

Mr. Elliott has not announced his future plans.

Indiana Policy Fee Ruling

Attorney General Ogden of Indiana has held that a policy fee charged in that state by insurance companies at the time the policy is taken out in addition to the regular premium is "clearly a part of the first year premium." It is therefore subject to the premium tax.

Michigan Agencies Incorporate

Michigan agencies incorporated the past week are the Green Agency, Detroit, by E. M. Tillotson, S. S. Tillotson and E. J. Prewe; Detroit Investors' Corporation, Flat Rock, K. K. Kline, Q. M. Kline and Dorothy Lafler; Barry & Lamont, Detroit, K. P. Barry, H. C. Lamont and E. J. Higgins.

Indiana Local Agents' Meeting

The annual meeting of the Indiana Association of Insurance Agents will be held at Lafayette, Ind., Oct. 20-21.

Huntington Firm Dissolved

Ehinger & Hoke, Huntington, Ind., have dissolved partnership. Mr. Hoke retains the old office at 216 North Jefferson street. Mr. Ehinger has moved to a new location at 39 East Market street.

STATES OF THE NORTHWEST

Reorganize Wisconsin Bureau

Now Known as Fire Insurance Rating Bureau—Audit Bureau Adjunct of New Organization

MILWAUKEE, Oct. 7.—Reorganization of the Wisconsin Inspection Bureau as the Fire Insurance Rating Bureau, which was made necessary to conform with the provisions of the new Wisconsin rate regulation statutes, has been completed.

The most important change in connection with the reorganization is that the Wisconsin Audit Bureau, as such, has been discontinued and the function and work of that bureau will now be carried on as an adjunct of the Fire Insurance Rating Bureau. G. H. Hannan, formerly manager of the Audit Bureau, now becomes superintendent of audits for the Fire Insurance Rating Bureau. The work will be carried on in the same quarters.

There has been no change in the provisions of the statutes in that all daily reports, endorsements and cancelled policies must be reported for auditing.

George E. Nichols is manager of the rating bureau; A. P. Kohler and W. L. Phelps, assistant managers; Frank R. Daniel, chief engineer; Charles J. Timbers, superintendent of service, and George H. Hannan, superintendent of audits.

Mrs. West Heads Prevention Week Campaign at Oshkosh

OSHKOSH, WIS., Oct. 7.—Local agents here, with Mrs. Myrtle B. West of the West-Nevitt Agency, as chairman, conducted an outstanding Fire Prevention Week campaign, reaching a large proportion of the city's population with fire prevention addresses.

All women in Oshkosh were invited to a public meeting Oct. 5, at which Hugh Bonar, superintendent of schools at Manitowoc, Wis., spoke on fire prevention. Mr. Bonar also addressed the Rotary Club Monday. C. E. Hayne,

state agent Continental, addressed the Kiwanis Club Oct. 6. C. P. Helliwell, general agent New Brunswick and grand wielder of the Blue Goose, was scheduled to address the Lions Club today. C. R. James, special agent Aetna and secretary Wisconsin State Fire Prevention Association, talked to another civic group.

Under the direction of George J. Revland, chief of the fire department, the department sent members to schools of the city to talk on fire prevention, and a number of demonstrations were held. Firemen distributed posters on the campaign to industrial plants and in the business district.

Mrs. West states that Fire Chief Revland has reported that 85 percent of the recommendations made by the Wisconsin State Fire Prevention association at its inspection in April have been cleared up. Many of these were defects of long standing, and Mrs. West pointed out that this progress is something to note in observing Fire Prevention Week.

Calhoun, Allen Headliners at Wisconsin Agents' Rally

MILWAUKEE, Oct. 7.—Since returning from the National Association of Insurance Agents meeting at Los Angeles, F. J. Lewis, president Wisconsin Association of Insurance Agents, and J. G. Grindle, secretary, have been hard at work on plans for the convention of the Wisconsin association here Oct. 27. More than 200 local agents are expected to attend.

W. B. Calhoun, head of the Calhoun Agency, Milwaukee, and president of the National association, will be the principal speaker. E. M. Allen, president National Surety, will also be on the program, and another outstanding speaker is to be announced later.

Reports on the business and its problems in this state and an open forum will occupy a large part of the program. Time will be provided so that any question pertinent to the insurance business may be brought up by interested agents for a thorough discussion. Placing of

LOYALTY GROUP

TRUE OPTIMISM

True Optimism is Faith; Faith in Humanity; Faith in the Nation; Faith in its Institutions; Faith in Yourself; Faith in the Present; and Faith in the Future.

False Optimism is Hope based on Desire.

Pessimism is compounded of lack of Faith in all that True Optimism is founded upon, and is acknowledgment of unbelief in self, too often coupled with the wish to profit through the misfortunes of others.

History, that Just Judge of Humanity, reads the record and inexorably records the verdict.

The Verdict is, always has been, and always will be that True Optimism is justified and its results proven; that False Optimism cannot last because of its unsound foundation; and that Pessimism cannot prevail, but must ever fail because of its inherent untruth and viciousness.

History records that the world progressed, and was in every way better and more prosperous in the year 100 than in the year 1 A. D. History records that the world progressed, and was in every way better and more prosperous in the year 1000 than in the year 100 A. D.. History records that the world progressed, and was in every way better and more prosperous in the year 1900 than in the year 1000 A. D., and History will continue to record the progress of the world, and this record will show the year 2000 in every way better and more prosperous than the year 1900 A. D. **It is reasonable to believe, and it is wise to believe, and most people do believe that the year 1931 will be in every way better and more prosperous than the year 1930.** Voice, therefore, your belief by word and act and aid it to come true in fullest measure.

Almost two thousand years ago a wise teacher and leader of men said:

"Now Faith is the substance of things hoped for, the evidence of things not seen".

Today Faith is as then. Today, as then, True Optimism is Faith. Thinking men must be and are True Optimists. That individuals have suffered misfortunes in the past and many have succumbed, and that individuals will suffer misfortunes in the future and more will succumb, cannot be denied, but such misfortunes, however hard for the individuals, are after all individual misfortunes and will not, in fact cannot stay the world march of progress and prosperity.

Do not be ashamed of your True Optimism, and do not be afraid to express it because you fear some pessimist may ridicule it and tell you that some day he will say "I told you so". Have courage and make known your True Optimism by voice and deed; make known your Faith in Humanity; make known your Faith in your Nation; make known your Faith in the Future; make known your Faith in Yourself; and make known your Faith that the tide has turned and that Prosperity has its hand stretched to knock at the door, and will surely enter if we but heed it, instead of harkening to cowardly fear.

NEAL BASSETT, President.

NEAL BASSETT, President

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LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

municipal business through local boards will be one of the topics scheduled for discussion. Other important subjects will be announced later.

Entertainment will include a good-fellowship luncheon at noon and a theater party in the evening. Many of the agents will remain in Milwaukee for Wisconsin Insurance Day Oct. 28.

Complain of South Dakota Concern

Considerable complaint is heard of the National Underwriters of America at Huron, S. D., raiding the country and seeking business from agents, although it is not licensed. Not long ago the Southwestern Underwriters of Huron was following the same practice.

Lehnberg to Head Board

MILWAUKEE, Oct. 7.—B. A. Lehnberg, vice-president of Chris Schroeder & Sons agents, is slated for elevation to the presidency of the Milwaukee Board at the annual meeting Oct. 14. Monroe Porth of Ed. Porth & Sons has been president for the past two years.

Lynn Mutuals Expand

NEILLSVILLE, WIS., Oct. 7.—Expansion of the Lynn Mutual Fire and Lynn Mutual Tornado of Neillsville to

cover the entire state, writing city and village property, has been started by Secretary W. B. Tufts. In the past the Lynn companies wrote farm property only. Farm business will still be confined to this district. Mr. Tufts also plans to organize another Lynn company to write all forms of automobile coverage throughout Wisconsin.

Williams Is Added Speaker

MILWAUKEE, Oct. 7.—A. L. Wortsman, manager Aetna Casualty and chairman of the program committee for Wisconsin Insurance Day, Oct. 28, announces that Sidney J. Williams, director public safety division National Safety Council, Chicago, will speak on automobile accidents, their prevention and their significance to the insurance business.

Few Agencies Taken Over

MILWAUKEE, Oct. 7.—Cases where companies have been obliged to take over delinquent agencies are said to be comparatively few in Wisconsin, and were called a practically negligible percentage by field men. One field man stated that perhaps six of the more than 6,000 agencies in the state had been taken over. He called this the outside

figure, and his estimate was concurred in by other outstanding field men, who say that taking over delinquent agencies should be a last resort.

Fire Underwriters Meet

MILWAUKEE, Oct. 7.—Arthur H. Ely, president Wisconsin Fire Underwriters Association, has called the quarterly meeting of the field club for Oct. 13 at the Milwaukee Board rooms. Either Randolph Buck, manager Western Factory Association, Chicago, or Moran Buck, assistant manager, will attend and will explain to the field men operation of the Factory Association. Mr. Ely will preside.

Form Rochester Exchange

ST. PAUL, Oct. 7.—C. F. Liscomb, president, and W. S. Gilliam, secretary of the Minnesota Association of Insurance Agents, will go to Rochester,

Minn., Oct. 20 to assist in the organization of a local exchange. Clarence O. Brown of the Brown-Knott Agency is leading the organization movement.

On the following day there will be a regional meeting of all southern Minnesota local agents.

Wisconsin Notes

John Hughes has become associated with his father, F. R. Hughes in the Hughes agency, Chippewa Falls, Wis.

The **W. H. Shapaker Agency**, Milwaukee, has been incorporated by W. H. Shapaker, M. A. and B. M. Shapaker.

Nelson C. Lerdahl of the Reitan, Lerdahl & Co. agency, Madison, Wis., will be married to Miss Dorothy Whitford of Madison late in October.

Richard E. Verner, manager fire prevention department Western Actuarial Bureau, Chicago, addressed the Optimist Club at Milwaukee Oct. 5 on "Taming the Fire Demon."

IN THE MISSOURI VALLEY

Iowa Situation Looks Good

Field Men Report Merchants Are Purchasing Stocks—Term Policies More Popular

DES MOINES, Oct. 7.—Iowa field men have taken up their work with vigor at the conclusion of the summer vacations and they report a hopeful situation in spite of adverse business conditions. Merchants in the towns and smaller cities are purchasing quite generously of fall and winter goods. Another thing that is quite noticeable is the disposition to again take out insurance policies covering a three or five-year period rather than for a shorter period at a higher rate as was the custom in the recent past.

There is also a disposition among farmers to make a general coverage rather than taking out policies that cover only the more prominent farm commodities. With heavy loss from lightning in numerous communities this phase of insurance protection is being given more general attention than in former years. A representative of a company that features farm insurance says that the tendency is drifting away from mutual companies because of the more general coverage provided by stock companies.

Form New Nebraska Mutual

The Nebraska Farmers of Lincoln, an assessment company, has been organized to write fire, lightning, tornado, windstorm, hail, water sprinkler and earthquake coverage. Officers are: president and treasurer, D. E. Wilkinson; vice-president and secretary, J. G. Heitkotter. They with D. V. Mills, H. E. Benzel and A. G. Williams are the directors and executive committee. Mr. Wilkinson and Mr. Heitkotter, with Reese Wilkinson, operate the Indemnity Company of America, an automobile mutual.

Want Windstorm Defined

TOPEKA, KAN., Oct. 7.—The Kansas insurance department has suggested to the insurance companies writing windstorm insurance that they submit a test case to the courts to determine the question of how strong a wind must be to constitute a windstorm within the meaning of the policies. The department has received a complaint that a company refuses to pay a claim for the loss of the glass in a door of a business house when the door was slammed shut by a high wind and the glass was broken. The policyholder contends that the damage was caused directly by a windstorm but the companies contend that it wasn't a storm but an ordinarily high wind that often sweeps across the prairie country. The companies contend

that windstorm means a high wind of storm proportions and that the more or less frequent winds that blow over the plains at from 30 to 50 miles an hour and for days at a time cannot be considered windstorms or protection claimed under the policy.

Would Speed Fireworks Ban

DES MOINES, Oct. 7.—Monday's meeting of the Iowa Blue Goose had no regular speaker scheduled. Officers of the Iowa State Fire Prevention Association passed a petition now being circulated in Des Moines among insurance men, parent-teacher organizations, etc., asking the city council to make the proposed ordinance prohibiting fireworks effective Jan. 1, 1932, rather than July 5, 1932, as planned by the council.

Other Iowa municipalities, apparently not so solicitous about the dealers' stocks of fireworks, have already passed ordinances banning them. Thirty-three municipalities are reported to date.

Opens New General Agency

M. L. Linton has opened a general agency at 305 Cotton Belt building, St. Louis. He recently was appointed state agent for the Dixie Fire in eastern Missouri and Illinois outside of Chicago and Cook County.

He started his insurance career with the W. H. Markham Agency some 20 years ago. Later he was a special agent for the London & Lancashire group and also served as state agent in Missouri and Illinois for the Central States Fire. Later he was vice-president and manager of the Insurance Audit Survey Corporation, affiliated with Hoffman, Son & Co. agency.

Nebraska Day in November

A. B. Olson, agency manager of the Bankers Life of Nebraska, in charge of the annual Nebraska Insurance Day, announces that the convention will be held in Lincoln probably the latter part of November, depending on what date is selected for the state convention of life underwriters associations. The insurance subdivision of the Lincoln chamber of commerce, in charge of the meeting, has undertaken to finance and back the meeting, and the insurance committee of the Omaha chamber has pledged its support and a large delegation.

Kansas Reduction \$685,874

TOPEKA, KAN., Oct. 7.—The annual reduction in Kansas fire premiums amounts to \$685,874 under the fire rate case settlement according to a tabulation by Commissioner Hobbs.

The agreement provided for reduced rates on dwellings with composition roofs throughout the state, for the abandonment of the explosion charges

WHEN THE GOING IS ROUGH

WHEN the going is hard local agents appreciate representing a company like the Kansas City Fire and Marine whose officials have a sympathetic understanding and thorough knowledge of the agent's problems. They know from their own experience as local agents in the well-known and successful R. B. Jones & Sons Agency just what tactics can best be used to combat the "rough going."

The wealth of actual local agency experience of our officials is always at the command of our agents. Agents know we can help them and consequently like to bring their problems to us. Our slogan "a company whose first thought is toward helping its agents" is being tested and found true by more agents every day. If the "going is rough" you will find this Kansas City Company a worthwhile addition to your agency.

Organized and managed by R. B. Jones & Sons, Kansas City, Chicago

Kansas City Fire and Marine Insurance Company

Chicago, Ill.
Insurance Exchange

Kansas City, Mo.
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and the charge for garages attached to dwellings, which amounts to \$213,907 a year. Reductions were also specified in the rates on mercantile buildings and contents and some other property of a more or less public nature, which total \$471,967 a year.

Glahn Heads Lawrence Board

Glen Glahn of the Manley Insurance Agency was elected president of the Lawrence, Kan., local board at its annual meeting. Charles B. Holmes is vice-president and Rosa Robinson, secretary.

Resigns as Nebraska Examiner

C. E. Spangler, University of Nebraska teacher of insurance, has resigned as

an examiner in the Nebraska department, where he served for two years to gain practical experience. He is succeeded by W. B. Lemkuhl, Wahoo banker.

Iowa Notes

Martin Silberstein, for the past 13 years in the insurance business at Davenport, Ia., died there at the age of 67.

A. B. Shriner, Winterset, Ia., has sold his agency there to W. S. Inlow. Mr. Shriner plans to open a new office in Winterset where he will deal in real estate exclusively.

F. E. Gordon, 75, for 18 years president of the Iowa Town Mutual Dwelling House, died suddenly in Des Moines. He retired as president last spring, but was made chairman of the board.

STATES OF THE SOUTHWEST

Danger in Opening Oil Wells

High Gas Pressure Makes Precaution Imperative in Reconditioning Where Production Ban Is Lifted

OKLAHOMA CITY, Oct. 7.—Great precaution should be exercised in the Oklahoma City oil field when the present shutdown order has been lifted, in the opinion of C. T. Ingalls, director Oklahoma Inspection Bureau, to prevent possible conflagration on account of gas. The field is under a gas pressure of 2,000 pounds or more. This is why wells in the district produce such large volume of oil. The greatest danger will be when the work of reconditioning the wells is taken up, in the opinion of Mr. Ingalls. This may not be for several years, or it may be sooner. It depends upon how long the wells will continue to flow flush.

In a field so full of high pressure gas, it is pointed out, there would naturally be some of the gas leak out. During times when there would be a high wind, this gas would be dissipated, but in calm, or still weather, the gas would seek the lower places along the ground. A spark or cigarette would touch off the gas and this would spread.

Ordinarily, in an oil field only well drilling property would be endangered. But in the Oklahoma City field, when it is considered that some of the most valuable business property in some places is within a few feet of wells it will be understood what the hazard is.

Reach Blue Goose Golf Finals

OKLAHOMA CITY, Oct. 7.—The annual golf tournament for Blue Goose championship has reached the finals with Howard Pate, state agent Commercial Union, and John Bosdett, state agent Royal, as contestants. The finals are to be played off this week. John Wilkinson, state agent for Trezevant & Cochran, is present holder of the cup.

Sweeney Opens Own Office

Russell P. Sweeney has opened an office for adjusting of fire, automobile and casualty claims in the Second National Bank building, Houston, Tex. For three years he was special agent for Trinity-Universal group with Houston headquarters, and prior to that for four years was adjuster and head of the claim department of Cravens, Dargan & Co., Houston.

Water Situation Serious

OKLAHOMA CITY, Oct. 7.—The water situation in a number of towns in Oklahoma is becoming serious, according to H. J. Clark, chief engineer of the Oklahoma Inspection Bureau. The water supply in Oklahoma City is 50 percent exhausted and unless replenished within 30 days the supply will be completely exhausted by Jan. 15. Curtailment in

sprinkling and all unnecessary use of water will become necessary for fire protection, he said. Following a very serious shortage at Hobart, the city voted bonds of \$240,000 for increase in water supply, pipe lines and the like, but no relief to the present situation. Several other towns are suffering from water shortage, but none are in so serious a condition.

Want City to Set Values

TEMPLE, TEX., Oct. 7.—Seeking a remedy to control fire losses, which have been frequent and heavy in Temple, the Temple Fire Insurance Exchange has requested the city commission to create the office of insurance appraiser. He would place a value on real estate and other property for insurable purposes and this would be enforced by an ordinance prohibiting the writing of more insurance than the appraiser permitted.

Not Affected by Bank Closing

SAN ANTONIO, TEX., Oct. 7.—The closing of the City-Central Bank, one of the most popular banks in San Antonio, did not affect in any way the Western National Fire of San Antonio, according to Eugene Branshaw, secretary. Although H. H. Rogers, president of the Western National, was a director of the City-National Bank, the Western National did not have any funds on deposit with that bank.

Bennett at San Antonio

SAN ANTONIO, TEX., Oct. 7.—Walter H. Bennett, secretary of the National Association of Insurance Agents, was the principal speaker at a dinner of the San Antonio Insurance Exchange Oct. 2. Mr. Bennett spoke on "Fire Insurance Conditions, Nationwide."

W. L. Stiles, president of the exchange, presided. F. F. Ludolph, delegate to the national convention at Los Angeles, gave his report.

Calhoun on Oklahoma Program

OKLAHOMA CITY, Oct. 7.—Supplementing the program announced for the annual convention of the Oklahoma Insurors, Oct. 16, is the announcement that President W. B. Calhoun of the National Association of Insurance Agents will be one of the key speakers.

The local board is sponsoring a movement to secure every responsible agent as member of the association.

Many Texas Gin Losses

DALLAS, Oct. 7.—Cotton gins are burning at an alarming rate in Texas, reports received in Dallas show. A cotton gin fire usually means a loss of \$12,000 to \$40,000 and most of these gins are insured. Gin fires the past few days have caused losses of more than \$150,000. As a general rule these

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Commercial Union Assurance Company, Limited
ESTABLISHED 1861



American Central Insurance Company
ESTABLISHED 1853



Columbia Casualty Company
ESTABLISHED 1920



The California Insurance Company
ESTABLISHED 1864



The Palatine Insurance Company, Limited
ESTABLISHED 1886



The Commercial Union Fire Insurance Company
ESTABLISHED 1890



Union Assurance Society, Limited
ESTABLISHED 1714



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Bulk of Protection to Insured and Agents

UNexcelled

COMBINED RESOURCES AS OF JANUARY 1, 1931

ASSETS	LIABILITIES (Except Capital)	SURPLUS TO POLICYHOLDERS	LOSSES PAID TO DATE
\$7,577,809.	\$14,022,181.	\$3,735,628.	\$111,149,443.
6,102,474.	8,933,087.	7,169,386.	143,108,347.
7,854,691.	4,175,759.	3,678,932.	62,397,451.
7,381,579.	5,170,083.	2,211,496.	20,744,912.
5,343,110.	2,529,711.	2,813,399.	17,089,689.
4,498,373.	2,193,311.	2,305,061.	34,906,822.
3,318,543.	1,402,707.	1,915,836.	13,035,430.
3,231,335.	1,793,782.	1,437,552.	13,914,996.
1,474,029.	693,319.	780,709.	3,666,111.
6,961,943.	\$40,913,940.	\$26,047,999.	\$420,013,201.

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asset to both Agent
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*Will Wright
(Field Correspondent)*

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DAYTON, OHIO

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An independent Ohio Company with a record of more than 60 years of
honorable dealing with Agents and Assureds

fires are reported as caused by matches in the cotton going to the saws.

Among the gins burned the past few days are the Farmers gin, Crandall, loss \$25,000; Waelder gin, Waelder, \$25,000; Spears gin, Alsa, \$20,000; Cassell gin, Winnsboro, \$20,000; Horton gin at

Horton, \$40,000; Craft gin, Leonard, \$12,000.

The Women's Insurance Club, Little Rock, at its October meeting heard an address by H. B. Savage, chief of the State Fire Prevention Bureau, on "Making Arkansas Fire Conscious."

IN THE SOUTHERN STATES

Alabama Fire Cover Awarded

**Insurance on State Property Divided
Among 72 Agents by Board
of Administration**

MONTGOMERY, ALA., Oct. 7.—Seventy-two stock agents have been awarded the state's fire insurance on its properties in various parts of the state for a year beginning Oct. 1 by W. F. Feagin, director Alabama board of administration. The premiums total \$54,921.

The three Alabama fire stock companies recently made an effort to secure all or the greater part of the insurance on the ground that home concerns should be given preference particularly in view of present economic conditions. However, their wishes apparently were not approved and it was indicated that the Alabama companies perhaps will obtain approximately 10 percent of the entire risks.

The total amount of fire insurance carried on state property is \$25,952,400, of which \$18,225,305 is carried in the state fund and \$7,727,095 in standard stock fire companies. There is a surplus of \$254,513.96 in the state fund which was established Oct. 1, 1923.

Extend Time for Virginia Reports

RICHMOND, Oct. 7.—Extension of time for filing reports for 1928, 1929 and 1930 showing their experience in Virginia from which underwriting profits are to be determined for rate-making purposes has been granted fire companies which have not already filed these reports. Under an order entered by the state corporation commission July 1, the reports had to be filed not later than Oct. 1. Under the extension order, they may be filed up to Oct. 31. The forms are rather involved and complicated, particularly those for 1930, and call for a new set-up on the part of the companies. Because of this, many of them experienced difficulty in preparing them within the time limit originally fixed.

Rogers Opens Branch Office

Charlton B. Rogers & Co., adjusters of Nashville, Tenn., are opening a branch office in the James building at Chattanooga, Tenn., Oct. 19, to handle all lines of fire, automobile, marine, farm and hail losses. Mr. Rogers expects to divide his time between the two offices.

Virginia Changes Approved

RICHMOND, Oct. 7.—The Virginia corporation commission has approved proposed schedules of fire rates for telephone exchange buildings. The schedules provide for decreases in rates on buildings used exclusively for telephone exchange purposes. The commission has also approved a new form of automatic endorsement to be used in connection with fleets of automobiles, and a supplemental contract covering damages from smoke from stationary oil engines, together with rates therefor.

Miami Agencies Merge

The Stembler-Adams-Frazier Insurance Agency has been formed at Miami, Fla., by a merger of the Miami Insurance Agency and the Stembler Insurance Agency. G. C. Stembler is president; M. D. Adams, vice-president, and H. R. Frazier, secretary-treasurer. Mr. Stembler has been in the insurance busi-

ness in Miami for 17 years. He is chairman of the board of the Miami Insurance Exchange. Mr. Adams was former president of the Miami Insurance Agency and was engaged in the insurance business in Bloomington, Ill., before going to Miami. Mr. Frazier was also in the insurance business in Illinois before joining the old Miami Insurance Agency.

Tennessee Speakers Given

NASHVILLE, TENN., Oct. 7.—Charles R. Street, vice-president-western manager Great American, and Commissioner Reece will speak at the Tennessee Association of Insurance Agents' annual meeting in Knoxville Nov. 12-13. Mr. Street is expected to be a drawing card as the association has been trying to get Mr. Street to talk at one of its meetings for a number of years.

The Tennessee Fire Prevention Association will be represented on the program by C. H. Love, H. A. Ammonette, president Tennessee Field Club, may talk on "Collections."

Birmingham Courthouse Covered

BIRMINGHAM, ALA., Oct. 7.—Stock company agents have been awarded the \$2,600,000 insurance on the Jefferson county courthouse. Distributions of the coverage was handled by a committee of the Birmingham association composed of O. H. Smith, H. B. Thomason and R. E. O'Dell. The building was recently completed at a cost of \$4,000,000. The insurance was written at a rate of .3875 for three years.

Merchant-Agent Big Problem

TAMPA, FLA., Oct. 7.—Tampa agents have run up against a hot one in the case of a merchant of a nearby town, operating two stores, who is also an insurance agent. He is demanding insurance from jobbers in Tampa from whom he buys goods and getting it, the report goes. The jobbers do not like to offend him when they are as well protected under his policies as they are under those of the local agents. The matter will be submitted to the Florida department, but as the merchant has a small agency in one town that really does some business, it will be hard to rout him out.

Name Florida Investigator

TAMPA, FLA., Oct. 7.—Machinery for enforcing the new Florida agency law has been completed with the appointment by Commissioner Knott of W. G. Amann of Orlando as special investigator. His first work will be to hear a complaint from the local board of Lakeland on four agents who do not give a major portion of their time to insurance. Protest is filed against renewals of license. The objectionable appointees are a drug store owner, a traveling state employee, a contractor and a real estate man. It is alleged that in neither case is the law complied with, as they are purely part-time workers.

Louisiana Bureau Annual Meeting

The annual meeting of the Louisiana Rating & Fire Prevention Bureau will be held Oct. 14 in New Orleans.

H. P. Carter, general agent at Richmond, Va., for a group of fire companies, has planted the Bankers & Shippers with J. E. Overby at Danville and the National Security with Walker, Mosby & Calvert at Lynchburg.

ON THE PACIFIC COAST

To Form Factory Association

Pacific Coast Committee Which Has Been Working Out Plans Is Authorized to Proceed with Organization

SAN FRANCISCO, Oct. 7.—Following a meeting Oct. 1 of companies interested in the formation of a Factory Insurance Association on the Pacific Coast, the committee which has been working on the matter for some time has been authorized to proceed with the organization of such an association. This committee, headed by Clifford Conly, Pacific Coast manager of the Great American and Phoenix, has been working out details of such an association for the past two months, compiling data and making investigations on which the company members of the board might base their decision as to the value of such an organization. While the association will not come into being immediately, the committee is proceeding with its organization and it is expected definite action will be taken before the end of the month.

Some slight opposition was registered at the meeting, coming mainly from several visiting officials from the east and some of the general agents in San Francisco. It appeared, however, that the majority of those present at the meeting were in favor of such an organization.

Members of the committee in addition to Mr. Conly are Edwin Parrish, E. T. Cairns, Joy Lichtenstein, J. C. Griffiths, A. T. Bailey, A. M. Brown and T. H. Anderson.

Will Name Committee Soon

SAN FRANCISCO, Oct. 7.—It is expected that Percy S. W. Ramsden, president of the California Association of Insurance Agents, will shortly appoint the committee to confer with Commissioner Mitchell on the enforcement of the agency qualification law, which was the subject of considerable discussion at the recent convention of the California association at Los Angeles. The principal point of issue between the agents and the commissioner was on the form of application now being used by the department, the agents contending that it was not adequate to meet the intent of the law.

Immediately following the Los Angeles convention, President Ramsden returned to his headquarters at Oakland. Frank Colridge, executive secretary of the association, remained in southern

California for more than a week following the convention, going over a number of matters with W. H. Bennett, secretary-counsel of the National association, and visiting a number of local associations in that section of the state before returning to Oakland. Indications are that shortly after his return this week, the committee will be appointed.

Gets Intermountain Field

S. E. Rich, special agent for the Glens Falls group for Utah and southern Idaho, has established his headquarters in Salt Lake City. For the past year Mr. Rich has been serving as part-time special agent for this group under J. E. Meek of Helena, Mont., but has now been put in full charge of this field.

Watson with Brown & Sons

SAN FRANCISCO, Oct. 7.—Kenneth Watson, a familiar figure in business in California for more than 35 years, has joined Edward Brown & Sons general agency in San Francisco as assistant secretary. Mr. Watson, who founded the general agency firm of Watson & Taylor more than 30 years ago, recently sold his interest in that firm to old employees who have reorganized the general agency under the name of Richards & Rhorer.

California Blue Goose Meets

LOS ANGELES, Oct. 7.—The California Blue Goose held its regular meeting Friday evening, devoted mainly to discussion of reports from E. L. Gilbert and C. P. Taylor, grand nest delegates from the California pond.

Coast Notes

G. E. Townsend, assistant secretary, Firemen's Fund, is in southern California making a business trip.

A. W. Follansbee, Jr., marine secretary, Firemen's Fund, is on a business trip in the Pacific northwest. He is visiting Seattle, Vancouver, British Columbia and Portland.

Milton E. Pinney, widely known special agent of the America Fore group at Oakland, Cal., and president of the Northern & Central California Special Agents Association, is receiving the sympathy of his friends on the death of his mother.

Washington-Turpen, Inc., has been formed at Seattle, Wash., by Herbert A. Washington, who has operated the H. A. Washington agency for the past 17 years, and H. M. Turpen, who has spent eight years as an executive with prominent brokerage office.

IN THE MOUNTAIN FIELD

Study New Forms for Farms

Guarantees Required of the Assured Cause Some Disagreement Among Underwriters

DENVER, Oct. 7.—The increasing farm losses and the proposed new form of application, in which the guarantees of the assured become part of his policy contract, are being studied closely by leaders in the field. Although much opposition to the proposed corrective measure has appeared, Secretary Frederic Williams of the Rocky Mountain Fire Underwriters Association said many of the opponents had not studied its provisions. It is believed by some that the proposed forms would tend to reduce rates on the better farm risks, enabling the stock companies more easily to meet the competition of the mutuals. It is also believed that rates on the poorer risks would be raised. Under the present method of handling farm business

in the Mountain field all classes of risks are covered at the same rate.

Take on More Companies

DENVER, Oct. 7.—Braerton, Simonson, Brown has been appointed general agent for the Commerce of the Glens Falls fleet in Colorado, Wyoming and New Mexico. The firm has also been appointed manager for the same territory for the Glens Falls Indemnity, the title of manager carrying a little more extensive authority than that of general agent. The Glens Falls Indemnity has not done business in the mountain field heretofore and is now entering the three states. The new connection was consummated by W. L. Braerton, president, and Thomas B. Thompson, member of the general agency, who recently visited the home offices of the Glens Falls companies.

Company Men in Denver

Visitors in Denver last week included R. P. Barbour, United States manager

WHAT IS THE AMOUNT OF PAYROLL USED AS A BASIS FOR CALCULATING PREMIUMS ON COMPENSATION INSURANCE?

The unit on which compensation premiums are figured is \$100 of payroll. There are three prime reasons for this:

First, it is logical to use payroll for rating purposes, because benefits payable under the law are based on employees' earnings.

Second, it is convenient and economical since labor costs are universally already known and recorded, and some other basis of computation might involve the installation of special accounting systems.

Third, it is the most accurate, for it reflects the total amount of every kind of work done, part-time, overtime, piece work, etc., and consequently provides an acceptable measure of employee-hours of exposure.

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PHILADELPHIA FIRE & MARINE INSURANCE COMPANY

Northern Assurance; E. D. Lawson, Chicago, manager marine department Fireman's Fund; Scott Coleman, as-

sistant secretary Globe & Rutgers; John Morrison of Morrison & Clark, Omaha general agents.

EASTERN STATES ACTIVITIES

Pennsylvania Agents' Plans

Eminent Speakers Are Selected for the Annual Meeting to Be Held Next Week

The Pennsylvania Association of Insurance Agents has completed plans for its annual meeting at the Hotel Mallow-Sterling at Wilkes-Barre, Thursday and Friday of next week. United States Manager C. F. Shallcross of the North British will speak, as will Henry Swift Ives, special counsel for the Association of Casualty & Surety Executives. Another popular man on the program will be President F. V. Bruns of the Excelsior of Syracuse, N. Y., who is a well known local agent and prominent in the New York Association of Local Agents. State Senator W. R. Roberts is on the program, as is President Edson S. Lott,

of the United States Casualty. Secretary W. H. Bennett of the National Association of Insurance Agents will represent that organization and coming fresh from the Los Angeles convention will sum up some of its features. Kenneth H. Bair of Greensburg, Pa., is president of the Pennsylvania association.

Wants Fire Waste Reduced

Vice-President L. E. Falls of the American Gives Talk Before Newark Rotary Club

Vice-President L. E. Falls of the American of Newark spoke Tuesday before the Newark Rotary Club. Inasmuch as he was talking during fire prevention week he called attention to the necessity in these times of depression

of reducing all waste. Each year, he said, \$5 worth of property per capita is destroyed. Newark, he stated, is the second largest insurance center in the country, yet its people seem to feel that when property is destroyed by fire it is restored by a fire insurance company. This, he said, is not true. No property is restored. The accumulated money, man and hand power is gone.

A fire these days is a catastrophe especially if it destroys a building where people are employed. Unemployment is a vital problem in this country. If people are thrown out of work because of a fire it simply adds to the distress. The great conflagrations outside of San Francisco, he asserted, have started from comparatively small fires. If the cause of small fires can be eliminated the conflagration hazard will take care of itself. Mr. Falls showed that in the autumn season when heating apparatus is to be used there should be an inspection of the heating system to see whether everything is in good shape and fire hazards are eliminated. Electric wiring, he declared, should be installed by a competent electrician. Rubbish accumulation should not be allowed around buildings. Cigarettes, he said, are causing more and more losses. The prevention of fire waste he declared should not be ignored.

Question Municipal Rates

NEW YORK, Oct. 7.—Alleging that fire insurance rates on municipal properties in this state are higher than the loss record justifies, a delegation of public officials headed by Mayor N. A. Boyd of Binghamton appeared at the local office of the insurance department yesterday, soliciting its aid in correcting this situation. Data prepared by the municipal representatives indicated that losses on public properties have been reasonably low.

As a counter to the charge of excessive rates, however, Lawrence Daw, manager of the Syracuse division of the New York Fire Insurance Rating Organization, pointed out that substantial reductions on many classes of municipal buildings had been made since the material offered by Mayor Boyd was compiled, and that the general record of the business should be considered in the light of that fact.

Batavia Agencies Merged

The Frank A. Lown Company, Batavia, N. Y., has taken over the insurance business of C. H. Ruprecht. The Ruprecht agency is one of the oldest in Batavia, Mr. Ruprecht having been in the insurance business for more than 30 years.

Eastern Notes

Pennsylvania now permits fire as well as casualty companies to write plate glass insurance damage under their automobile policies.

William Quaid, executive vice-president of the Southern Fire, spoke before the Kiwanis Club at Trenton, N. J., on fire prevention Wednesday evening.

New Jersey Association Meets in Atlantic City

The New Jersey Association of Underwriters will meet at Atlantic City Friday. There are four feature speakers: William Quaid, vice-president Southern Fire; James L. Case, Norwich, Conn., past president National association; Albert Dodge, Buffalo, past president New York association, and H. P. Jackson, president Bankers Indemnity. Mr. Dodge will talk on the advantages of organization and Mr. Jackson on the current trend of the casualty business.

President Harvey B. Nelson will give the address of welcome and Henry R. Burr, secretary-treasurer, will report. Reports will be given by the following committee chairmen: Executive, Alen V. Livingston; legislative, Harry L. Godshall, and agents' qualifications, Julius Klein.

Will Preside



KENNETH H. BAIR, Greensburg, Pa.

Kenneth H. Bair, president of the Pennsylvania Association of Insurance Agents and well known in the National Association of Insurance Agents for his good work, will preside at the annual meeting of his state association at Wilkes-Barre next week.

New England News

H. A. McKenna Is President

London Guarantee Manager Chosen to Head Insurance Society of Massachusetts at Annual Meeting

BOSTON, Oct. 7.—Harold A. McKenna, New England manager London Guarantee & Accident, was elected president of the Insurance Society of Massachusetts at its annual meeting.

Other officers elected were: First vice-president, K. H. Erskine, Liverpool & London & Globe; second vice-president, A. J. Anderson, O'Brion, Russell & Co.; third vice-president, A. D. Cronin, A. D. Cronin & Co.; secretary-treasurer, F. J. Devereux, Patterson, Wyde & Windeler; directors, F. A. Bailey, C. H. Clancy, R. A. Hogsett, W. T. Jordan, F. O. Sargent, and Warde Wilkins; trustee for three years, J. J. Cornish.

W. T. Jordan, retiring president, presided at the dinner, with more than 100 in attendance. The annual reports showed a total paid membership of 584. J. H. Carney urged the members to cooperate and unite to protect their business in these days of attack. Alexander Ellis of Russell, Fairfield & Ellis promised active support for the club as chairman of the patrons committee. Mr. Jordan was presented an honorary life membership card of silver.

The entertainment, in charge of Lieut. Col. R. F. Whitelegg, graduate of West Point, and H. C. Read, a member of the society, consisted of motion pictures of West Point and the Army-Navy football game.

Proposes Advisory Board

BOSTON, Oct. 7.—The formation of an unofficial advisory board, made up of representatives of the Fire Chiefs Club of Massachusetts, Massachusetts Safety Council, New England Insurance Exchange, Boston Board, Associated Mutuals, Massachusetts Association of Real Estate Boards and National Fire Protection Association, to cooperate with the state fire marshal's office in fire prevention matters, is asked by State Fire Marshal Reth in a letter

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sent out this week to those organizations.

He believes public welfare will be served to a greater degree and more effective means to prevent fires may be brought about by coordinating and assimilating the activities and problems of

the various organizations. When they have named their representatives the fire marshal will call an organization meeting.

H. A. Berry and **C. F. White** have opened an insurance agency at Danbury, Conn.

IN THE CANADIAN FIELD

Canadian Institute Courses

First Year So Successful That Three Classes Are Being Held in 1931

WINNIPEG, Oct. 7.—The first year of its correspondence course was so successful that the Canadian Institute of Insurance is this year conducting three courses, Parts 1 and 2 fire and Part 1 casualty. These courses are conducted for the benefit of those in the insurance business outside of the cities where local institutions function, in Vancouver, Winnipeg, Toronto or Montreal.

The officers are: E. P. Withrow, Dominion of Canada General, president; W. B. Lowry, North America, vice-president; T. E. D. Boys, Western Canada Insurance Underwriters Association, secretary; C. R. Francis of the Canadian Fire, treasurer.

Coyle Succeeds Kennedy as Fleet Manager in Canada

NEW YORK, Oct. 7.—After 30 years' continuous service with the London Assurance group, W. P. Kennedy will retire as Canadian manager as of Dec. 31, taking with him good wishes

of directors, who have made suitable provision for his future. He will be succeeded in the management by C. J. R. Coyle, now chief of the stamping office of the Canadian Fire Underwriters Association for both the London Assurance and British Law, its running mate. Associated with Mr. Coyle will be D. K. MacDonald, for the past five years Canadian manager for the Guildhall Insurance Company, which became affiliated with the London Assurance group in 1930. Together, Messrs. Coyle and MacDonald will coordinate and develop business of the fire and casualty companies in the fleet. Details of the changes were effected by E. C. H. Dunham of the home office during a visit to Canada.

Canadian C. of C. Awards

Winners of the shields offered by the Canadian chamber of commerce in its annual fire prevention contest have been announced: Class 1, Hamilton; Class 2, Oshawa; Class 3, Kenora, Ont.; Class 4, Kentville, N. S. The awards are made on a population basis: Class 1, cities over 50,000; Class 2, 15,000 to 50,000; Class 3, 5,000 to 15,000; Class 4, under 5,000.

L. P. Nolin has been appointed by Shaw & Begg of Montreal as inspector for the province of Quebec, for the fire and casualty departments.

MOTOR INSURANCE NEWS

Department Has No Funds

Financial Responsibility Division Calls on Insurance Companies to Supply the Required Certificates

Ira J. Shobe, director of the financial responsibility division of the secretary of state office for Indiana calls attention to the fact that the financial responsibility law was enacted without any appropriation for its administration or enforcement. The department therefore is handicapped to a great extent. It finally obtained through the state printing board a limited number of certificates necessary to be filed under the law. However that supply will be insufficient. Mr. Shobe suggests that duplicates of the certificates required by the secretary of state be issued by the companies themselves. Mr. Shobe declares that the department cannot supply more than 5 percent of the certificates desired. He believes that the companies therefore should take upon themselves the printing and distribution of the certificates.

Waive Radio Charge

NEW YORK, Oct. 7.—The National Automobile Underwriters Association has ruled that the charging of an additional premium for assuming liabilities for radios installed in automobiles is optional among its members. However, if the premium is charged the radio must be permanently attached to the automobile. The association recently ruled that a slight additional premium must be charged to cover the radio. Some of the companies agreed to the regulation but others objected on the ground that the trend in automobile underwriting is to broaden the coverage to eliminate special charges. In certain states police regulations prohibit the use

of radios in cars because it is supposed to interfere with the driver, increasing the likelihood of accidents.

Auto Associations Cited

Commissioner Herdman of Nebraska has notified the United States Automobile Association, of which H. J. Hall is president, and the United Motorists Protective Association, both of Lincoln, that they must cease operating in violation of the statutes and department regulations. A similar letter was sent a few days before to the National Automobile Association of Omaha.

Commissioner Herdman has also cited the Lincoln Automobile Club, local unit of the American Automobile Association, to show cause why it should not come under the insurance laws of Nebraska.

MARINE NEWS

Knowles Coast General Agent

Well Known San Francisco Man Takes Charge of Inland Marine Department of Northern Assurance There

A. B. Knowles, prominent marine and all-risk underwriter and Pacific marine manager of the St. Paul Fire & Marine, has been named general agent of the inland marine department of the Northern Assurance for the Pacific Coast and Rocky Mountain field. The appointment was made by R. P. Barbour, United States manager, on his recent visit to San Francisco.

Beginning his insurance career in San Francisco in 1915 with the New York Underwriters, Mr. Knowles, with the exception of a brief period during the

world war, has been actively engaged in his chosen field. Upon his return to San Francisco in 1919, he joined H. R. Mann & Co., general agents, and in 1926 was made a partner in the firm. In 1929 the St. Paul Fire & Marine purchased the general agency and Mr. Knowles was appointed Pacific marine manager of the company. He is also Pacific marine manager of the Mercury and general agent for the Fonciere of Paris.

Open Detroit Office

Appleton & Cox, well known marine underwriters, have established a Detroit office in charge of W. J. Ross, who becomes state agent with supervision of Wayne county. The offices are located at 2222 First National Bank building. Mr. Ross was transferred from the Chicago office, where he acted as special agent.

H. W. Bond Resigns

Hunter W. Bond, who has been associated with the Chicago office of Jones & Whitlock, nationally known marine underwriters, has resigned.

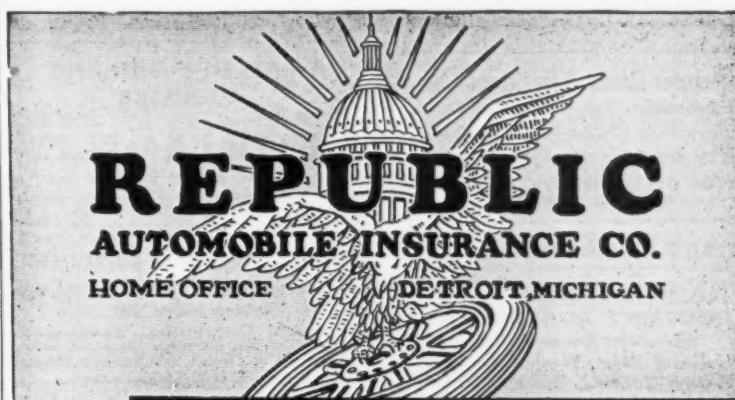
H. E. Moore, formerly associated with B. P. Carter, general agent at Richmond, and previously special agent in Virginia for the National Ben Franklin and the Concordia, has entered another line of business in Richmond.

Achenbach Again Head of Mountain Supervisory Body

COLORADO SPRINGS, Oct. 7.—W. N. Achenbach of Chicago, manager of the western department of the Aetna was reelected chairman of the supervisory committee of the Rocky Mountain Fire Underwriters Association at the annual meeting here Monday. Proposed changes in farm application forms, widely discussed here in recent weeks, did not come before the committee since the investigations by the Mountain Field Club have not been completed.

Henry F. Evans, president of the Mountain Field Club in his report dealt largely with the casualty situation and the effect of casualty commissions paid to influence fire business. B. M. McDonald, chairman of the automobile committee, also touched on this subject.

Members in attendance were W. N. Achenbach, Chicago, chairman; A. T. Bailey, Pacific Coast manager North British & Mercantile; E. T. Cairns, vice-president Fireman's Fund; W. O. Wayman, manager National Fire, San Francisco; W. D. Williams manager western department Security, Rockford, Ill.; W. B. Flickinger, Chicago, assistant manager North America, and E. A. Henne, Chicago, vice-president America Fore group.



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Claim Expirations in Injunction Suit

(CONTINUED FROM PAGE 3)

which, according to the allegations of the bill, belong to plaintiff, and thereby render it more difficult to trace the same and take an accounting thereof.

Unpaid Balances Listed

It is alleged that McMurtie owned and controlled all of the capital stock of the defendant companies, either directly or through other persons or corporations holding it for him. Associated with him were H. H. Powell and I. R. Farthing. Agency balances of \$3,677 to the Continental, \$3,777 to the National, \$1,653 to the Providence Washington and \$1,767 to the Fire Association are alleged. It is asserted that a large part of these sums have been collected from the policyholders, but not remitted to the companies. It is also alleged that the agencies have refused an accounting and are proceeding to collect the unpaid premiums as rapidly as possible.

On Oct. 1 the agencies were terminated by written notice. On Oct. 2 the companies assigned all their claims and rights to Walter H. Roadifer of Chicago, the plaintiff. An explicit claim is set up that under "universally recognized and general usage and custom of the fire insurance business, and under the universal practice and usage among fire insurance companies and agents throughout the country, when a fire insurance agency is in default with its company, or has misappropriated or misapplied the insurance company's money, the expirations of all policies written or issued by the company through that agency become and are the property of the company, to the extent of unremitted balances due the company." The court is asked to adjudge and decree that the ownership of the expirations is given Roadifer by virtue of the assignment.

New Marine Form Being Considered

(CONTINUED FROM PAGE 3)

policy and also that he is not engaged in or in any way connected with any professional entertaining.

Property permanently in summer, winter or country homes owned by the assured is not covered unless the location and amount are endorsed on the policy. The policy covers, subject to terms and conditions, loss or damage to the property belonging to guests or the servants of the assured, but not exceeding 10 percent of the face of the policy. It is a franchise form, the assured assuming all losses of \$25 or less, and the company paying the full loss on claims over \$25. This provision, however, does not apply to jewelry and/or furs on schedule, or to silverware or to damage by fire, or to property outside the premises of a permanent residence of the assured.

It is stipulated that where any insurance item consists of articles in a pair or set, the policy is not to pay more than the value of any particular part or parts which may be lost, without reference to any special value which such article or articles may have as part of the pair or set; nor more than a proportionate part of the insured value of the pair or set.

Warranty by Assured

The assured warrants that he will use every means to safeguard and recover his property in case of loss, damage or misfortune of any kind, and he also binds his factors, servants or assigns likewise to "sue, labor and travel," but without prejudice to his insurance or waiver of his rights thereunder.

The liability does not attach to animals, boats, automobiles, motorcycles, aircraft or other conveyances and/or their accessories, accounts, bills, currency, deeds, evidences of money, notes and/or securities, nor on automobile robes or other automobile accessories

unless this property is specifically included in the policy by endorsement. Such endorsement must describe the property and the maximum liability applying thereto.

It is agreed that there is no liability under the policy for breakage of glass or brittle articles unless this breakage is caused by fire, windstorm, explosion, burglary or theft and transportation hazards, nor for damage to same while the property is being actually worked upon and directly resulting therefrom, nor for damage by moths, wear and tear and/or deterioration.

Exempts Riot Damage

In addition the policy does not cover loss or damage to the property insured occasioned by war, invasion, hostilities, acts of foreign enemies, civil war, rebellion, insurrection, military usurped power or martial law or confiscation by order of any government or public authority, or strikes, riots or civil commotion.

It is understood that the rating schedule which has been tentatively worked out by the I. M. U. A. calls for zoning the country, largely because it is necessary to recognize a wide variation in burglary, such as holdup experience in various localities.

The rates are determined on the amount of insurance carried, it being considered that the greatest hazard under this policy exists on amounts of \$5,000 or less and that the hazard decreases proportionately as the amount increases, so that additions may be considered as excess insurance.

It is found that on amounts of \$5,000 the rate per \$100 may run as high as \$1.70 in some localities where theft and holdup experience has been unfavorable. However, in the \$5,000/\$10,000 bracket a sharp decrease in rate is noted, and if a person takes as much as \$100,000 of insurance he may get a rate as low as 10 cents per \$100 plus the contents fire. Majority of state commissioners have approved the form.

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Advertising Men Meet in Toronto

(CONTINUED FROM PAGE 5)

the values of the various kinds of advertising being done.

Chauncey S. S. Miller, North British, was in general charge as president. He kept the meeting as a whole moving forward smoothly and efficiently. He is now generally looked upon as the father of the conference, having been its most persistent and enthusiastic advocate in the early days. As a presiding officer he is urbane, witty, pungent in his comment and at all times in complete command of the situation.

All Canadian Speakers

The convention began with a joint session on Monday morning. President Miller was in the chair and in splendid form. He turned the meeting over to Eustace A. Brock, Great West Life, general chairman of the Toronto convention committee.

Mr. Brock introduced H. R. Stephenson, general manager Crown Life and president Canadian Life Officers Association, who extended a few words of welcome as did the next speaker, Percival Elheran, principal of Wycliffe college.

Arthur Lismore, educational director of the art gallery of Toronto, gave an illustrated address on "Modernism in art as applied to advertising," and the final speaker at the session was George H. Harris, supervisor of field service of the Sun Life who discussed "Advertising—An Asset or Liability?" All of the speakers at the initial meeting were thus Canadians.

Divided Into Groups

In the afternoon the gathering was divided into group meetings. Frank S. Ennis, America Fore, was chairman of the fire, casualty and surety group at which 12 subjects were informally discussed.

K. H. Mathus, Connecticut Mutual, was chairman of the life group at which the speakers were: A. L. Cawthron-Page, president Canadian Life Advertisers Association; E. P. Herrmann, Lincoln National; E. Chester Sparver, Reliance Life; Bart Leiper, Pilot Life; Rex B. Magee, Lamar Life; William Clendenen, American Conservation Company, and Frank J. Price, Jr., Prudential. Monday evening the business meeting of class A members took place with President Miller wielding the gavel. On Tuesday morning the fire, casualty and surety contingent was unable to gather a quorum together, and so its scheduled group meeting was not held. The life group held forth first with an executive session and later with an open meeting. K. H. Mathus was again chairman. The speakers were Henry H. Putnam, John Hancock; Bart Leiper, Pilot Life; E. P. Herrmann, Lincoln National; B. N. Mills, Bankers of Iowa; Paul Speicher, I. R. & R.; William Wallace, Confederation Life; J. N. Babcock, Excelsior Life, and Robert H. Pierce, Aetna. Movies used by the Great West Life were shown.

Joint Luncheon Tuesday

There was a joint luncheon Tuesday presided over by Clifford Elvins, Imperial Life. The speaker was Walter P. Burns of the American Newspaper Publishers Association. In the afternoon the convention was again divided into groups. Stanley F. Withe, Aetna, presided at the fire and casualty group at which the speakers were Thomas B. Handy, National Bureau of Casualty & Surety Underwriters and C. W. Van Beynum, Travelers, both of whom discussed safety work. C. E. Rickerd, Standard Accident, described the national advertisers which have stressed the safety features of their products. Harold E. Taylor, American of Newark, acted as chairman during the latter part of the afternoon when a variety of subjects were discussed.

At the life group the speakers were:

D. Bobb Slattery, Penn Mutual; Charles C. Fleming, Life of Virginia; Fred L. Fischer, Lincoln National; T. M. Rodlum, Acacia Mutual, and Arthur H. Reddall, Equitable of New York. Round table discussions were conducted by C. T. Steven, Phoenix Mutual; Nelson A. White, Provident Mutual; Stewart Anderson, Penn Mutual; Clifford Elvins, Imperial Life, and B. N. Mills, Bankers of Iowa.

The concluding Tuesday afternoon event was a joint session with Lorry A. Jacobs, Southland Life, in charge. Robert H. Pierce, Aetna, chairman of the exhibits committee, presented the I. A. C. trophy to Ray C. Dreher of the Boston and Old Colony. The conservation cup went to Frank J. Price, Jr., Prudential. The Rough Notes plaque was given to C. E. Freeman, Springfield.

Wednesday morning the annual business meeting was held, followed by a talk by Charles Coolidge of the "Saturday Evening Post."

STATEMENT OF THE OWNERSHIP,
MANAGEMENT, CIRCULATION, ETC.,
REQUIRED BY THE ACT OF CONGRESS
OF AUGUST 24, 1912,
Of The National Underwriter, published
weekly at Chicago, Illinois, for October
1, 1931.

State of Illinois, ss:
County of Cook, .

Before me, a Notary Public, in and for the State and county aforesaid, personally appeared John F. Wohlgemuth, who, having been duly sworn according to law, deposes and says that he is the secretary of the National Underwriter Co., publishers, of the National Underwriter, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to-wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:

Publisher—The National Underwriter Co., Chicago, Ill.
Editor—C. M. Cartwright, Evanston, Ill.

Managing Editor—C. M. Cartwright, Evanston, Ill.
Business Manager—H. J. Burridge, Hinsdale, Ill.

2. That the owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its name and address, as well as those of each individual member, must be given.)

The National Underwriter Co., Chicago, New York, Cincinnati.
E. J. Wohlgemuth, Cincinnati, Ohio.
C. M. Cartwright, Evanston, Ill.
H. J. Burridge, Hinsdale, Ill.

G. W. Wadsworth, Chicago, Ill.
John F. Wohlgemuth, Hinsdale, Ill.
H. M. Diggins, Cincinnati, Ohio.
R. E. Richman, Cincinnati, Ohio.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages or other securities are: (If there are none, state None.)

4. That the two paragraphs next above, giving the names of the owners, stockholders and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest, direct or indirect, in the said stock, bonds, or other securities than as so stated by him.

JOHN F. WOHLGEMUTH,
Secretary The National Underwriter Co., publishers The National Underwriter. Sworn to and subscribed before me this 30th day of September, 1931.

JOHN B. BERENSCHOT,
(Seal) Notary Public.
My commission expires Dec. 31, 1932.

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THE
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Policyholders Surplus - \$1,485,101.87

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THE
WESTERN AND SOUTHERN FIRE
INSURANCE COMPANY
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—

Policyholders Surplus - - \$502,208.33

Charles F. Williams,
President



Cincinnati,
Ohio

Address—William C. Safford, General Manager

The National Underwriter

October 8, 1931

CASUALTY AND SURETY SECTION

Page Thirty-one

Bland Reelected at White Sulphur

T. E. Braniff Is Named President of Agents' Organization

MEET FEELS HARD TIMES

Sole Agency Ethics Proposal Is Most Significant Development of Big Casualty Convention

NEW OFFICERS ELECTED

INTERNATIONAL ASSOCIATION OF CASUALTY & SURETY UNDERWRITERS

President—R. Howard Bland, president U. S. F. & G.

Vice-President—J. Arthur Nelson, New Amsterdam Casualty.

Chairman Executive Committee—E. C. Stone, United States manager Employers group.

Secretary-Treasurer — F. Robertson Jones.

NATIONAL ASSOCIATION OF CASUALTY & SURETY AGENTS

President—T. E. Braniff, Oklahoma City.

Vice-President—Wade Fetzer, Chicago. Chairman Executive Committee—W. G. Wilson, Cleveland.

Secretary-Treasurer — C. H. Burras, Chicago.

The 1931 casualty convention at White Sulphur Springs will go down as the "smiling through tears" meeting. Many habitual and prominent conventioneers were conspicuously and depressingly absent. Many executives were called to the long distance telephone or received business telegrams several times a day, which was not productive of care free minds with which to contribute to the brilliant social spectacle at White Sulphur. Some of the members arrived late; others hurried away before the conclusion of the convention.

That is not to say that the convention was a completely drab affair. Only in comparison with past years did it lack lustre. Those attending for the first time would find it the gayest convention on the schedule.

Describes Centennial

The speaking talent was exceptional. Probably the high point was reached by Hamilton Fish, Jr., New York congressman, who made an eloquent appeal to business men to take the offensive in behalf of the capitalistic system. Additional interest was created by reason of the fact Mr. Fish undertook to answer the statement of Dr. A. D. Albert, the previous speaker, that congress had "betrayed" the president. The skirmish was conducted pleasantly but with great parliamentary finesse.

Dr. Albert, who is assistant to the president of the Chicago world's fair, described the significance of the 1933 centennial exhibition and urged insurance to participate earnestly.

(CONTINUED ON LAST PAGE)

"Sole Agency Ethics" Plan Causes Much Speculation

For the radical proposal that it is, the so-called "sole agency ethics" program first indorsed by the executive committee of the National Association of Casualty & Surety Agents was submitted in unusual fashion. The statement, which was published in THE NATIONAL UNDERWRITER last week, was read to the joint convention of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents by W. G. Wilson, while he was presiding. There was no discussion, after reading the statement, Mr. Wilson proceeding immediately to introduce the first guest speaker of the day.

The program was mentioned briefly during the separate meeting of the agents organization the final day. J. K. Walker of Chicago asked whether there had been any response from the company representatives. Mr. Wilson, author of the program, who told friends that it represented eight years of thought, replied that executives of four companies indicated to him that they were "startled" by the suggestions, and that their first reaction was "very favorable."

Many Bunkers to Cross

"None," Mr. Wilson said, "have declared that it is impossible or impractical. We realize that there are many bunkers to be traversed before the eighteenth hole is reached."

One of the resolutions submitted to the agents' organization had to do with the sole agency ethics program and it was adopted without dissent.

"Recognizing," the resolution stated, "the inequalities of existing agency classifications and in particular the discrimination suffered by bona fide general agents in competition with branch offices and believing that ample time has elapsed to demonstrate the inefficiency of present acquisition cost regulations, we heartily indorse the proposal for sole agency ethics presented by our executive committee to the companies in joint meeting assembled."

What the Plan Is

Briefly, "sole agency ethics" would limit a "producing agent" to one casualty company and would limit a company to a single "representative agency" in a town. It would provide for a flat and general scale of commissions with a downward revision for "non-company brokers." The term, "general agent," would be abolished, to be substituted by a title for a new class of supervising office.

It would provide for an agreement or legislation as to a maximum acquisition cost limit "in order that no advantage be permitted to discriminate as between branch offices and the agency system."

Copies of the statement were not generally available at the convention; only a fraction of the conventioneers were in the hall when the statement was read. Accordingly presentation of the program was not as impressive as its implications would seem to justify.

Although there was little discussion of the program in the lobbies, questioning developed that great difference of

opinion exists even among the agents. Although the program came out as the creature of the executive committee and was adopted without opposition by the agents as a whole, one important agent was so opposed, that he threatened to bring in a minority report. His principal objection was that the number of general agents would be increased rather than reduced. For instance, in a city where there are now thirty general agents and seventy-five casualty companies, according to this agent, if the sole agency rule were applied, the thirty going general agents would each have one of the strongest companies in the field. But, he declared privately, the 45 companies which were squeezed out would each appoint a new general agent.

Another objection brought out was that the sole agency plan would encourage development of casualty fleets similar to fire fleets.

May Be Fruitful

One of the leading executives at the convention, whose company is one of the staunchest advocates of the general agency as compared with the branch office system, predicted privately that the sole agency proposal would lead to a solution of the acquisition cost and branch office problem. He feels that equality must be brought about between the branch office and the general agency and that the sole agency program will provoke fruitful discussions.

The sole agency proposal will undoubtedly soon come before company councils in New York and Hartford. Mr. Wilson indicated that it might be brought to the official attention of the National Convention of Insurance Commissioners.

Casualty Agents Hit Competition of Motor Clubs

Apparently at the instigation of W. G. Wilson of Cleveland, the National Association of Casualty & Surety Agents in session at White Sulphur Springs adopted a resolution condemning the intrusion of automobile clubs into the insurance business. The assumption is that the resolution was inspired by Mr. Wilson because Ohio is the theater of a great struggle on the question.

"We believe," the resolution asserted, "that the existence of automobile clubs is amply justified where they vigilantly serve the public relations of motorists. We urge our members to affiliate with and take active part in such clubs."

"We view with anxious concern," it continues, "an apparent breakdown and loss of faith in their obvious purpose on the part of a few clubs which deem it necessary to bolster up a dwindling membership by offering cheap insurance as a bait, thereby embarking in business in direct competition with their insurance members."

"Be it resolved that as and when automobile clubs so far depart from their

Court is Asked to Compel New Rates

Companies Seek Writ in Massachusetts Compulsory Auto Liability Situation

AWAITS SOLONS ACTION

Law Requires 1932 Promulgation by Sept. 15—Carriers Handicapped by Delay

BOSTON, OCT. 7.—A writ of mandamus against Commissioner Brown of Massachusetts to compel him at once to fix and promulgate his schedule of premium rates for 1932 under the compulsory automobile liability insurance act was asked in the supreme court Monday in behalf of 44 stock companies.

The petition states it is the commissioner's duty under the law to fix such classifications of risks and premium charges before Sept. 15 in each year for the following year; that the commissioner held the hearing required by law on Sept. 11; that incorporated in such notice was a schedule clearly and precisely setting forth the premium charges proposed to be fixed for 1932; that since that hearing, though requested, the commissioner has neglected and still neglects to fix and establish any classifications of risks and premium charges for 1932 or to sign or file in his office any memoranda thereof as required by the law.

Awaits Legislative Action

The commissioner has been withholding his promulgation of new rates on account of the special session of the legislature which is considering the matter of a repeal of the law, its change or amendment, all with view to securing, if possible, lower auto rates for 1932.

The commissioner relies upon a previous ruling of the supreme court in not announcing the rates on or before Sept. 15. When Commissioner Monk was obliged to retire because of his refusal to promulgate rates he believed to be inadequate, a delay was caused in the issuance of new rates and Arthur E. Linnell, acting commissioner, did not issue them until after Sept. 15 of that year. The court was asked if the schedule of rates issued after Sept. 15 were legal and in effect. The court ruled that, inasmuch as the rates had not been issued before Sept. 15, and had been issued later than that date that the new schedule would stand.

A different situation presents itself, however, when the insurance compa-

(CONTINUED ON LAST PAGE)

nies elementary functions, we regard their intrusion into the insurance business or any other commercial activity, with disfavor, urging our members to acquaint the officials of this association with the facts to the end that appropriate defensive measures be taken."

A. M. A. Hints Doctors Seek Fee for Preparing Proofs

SENDS OUT QUESTIONNAIRE

A. & H. Companies Are Quizzed on Practice as to Compensation of Physicians

The bureau of medical economics of the American Medical Association is sending a questionnaire "Schedule on Medical Economics," to accident and health companies, which seems to indicate that the A. M. A. is interested in having insurance companies pay doctors for making out proofs of loss. An insurance executive makes the comment that this would result in either the company paying the charge or the insured paying it in addition to his doctor bill.

"If the company pays, it means added expense to a business that is having a most difficult time in making ends meet," this executive declared. "If the insured pays the fee, it adds an annoyance to claim adjustments."

Adjustments Are Difficult

"Adjustments are not easy to make now on a satisfactory basis to the insured which also leaves any possible profit."

"Our medical friends are doubtless led into this by their experience on workmen's compensation, a line that has proved a severe loss to nearly all carriers."

"It would be well for medical men to bear in mind how very difficult it would be for them to collect their bills when there is no insurance carried."

Company officials generally are inclined to believe that the situation can be ironed out by the elimination of the long and complicated form used by some companies. President H. S. Don Carlos of the International Claim Association, who is also keeping in close touch with the matter personally, has appointed a special committee headed by R. K. Metcalf, Connecticut General Life, to prepare a suggested uniform form of claim blank, to be used by all companies that are members of that association.

The questionnaire of the American Medical Association follows:

Are Items Essential

"1. Are all items on your health and accident insurance claim proof blanks essential to establish proof of loss?

"2. If not, what questions do you consider indispensable for such proof?

"3. Would your company be willing to adopt a shorter form of claim proof blank?

"4. Does your contract claim proof blank contain a waiver clause to be signed by the insured to protect the physician in furnishing confidential information called for in the claim proof blank?

"5. Does your company make provision for fees to physicians or hospitals in payment for filling out claim proof blanks?

"6. If so, what are the limits in size of fees paid?

"7. If not, is your company willing to consider adopting a fee for filling out proof blanks?

"8. Does your company now pay physicians or hospitals for filing out claim proof blanks by an assignment orders from the insured?

"9. Would your company be willing to adopt such a procedure?

"10. What other suggestions do you care to make concerning means by which the physician's or the hospital's interest in the company's payment for claims may be safeguarded?"

The Minnesota department report on the **Minnesota Protective** of Madelia, Minn., as of July 1, shows assets \$14,498 and liabilities \$1,164.

Presiding Head



J. ARTHUR NELSON, Baltimore

President J. Arthur Nelson of the New Amsterdam Casualty, who is vice-president of the International Association of Casualty & Surety Underwriters, presided at the White Sulphur meeting in the absence of R. Howard Bland, president of the United States Fidelity & Guaranty, who is president of the International association. President Bland was kept at home because he was having his tonsils removed. Mr. Nelson pinch hit and did it in a remarkably good style. He is at home in the chair and in the work of presiding he performed all his duties with dexterity and grace.

West Virginia Official Advocates Policy Change

Attorney General Lee of West Virginia has advocated a change in public liability insurance policies to afford protection to persons injured in automobile buses belonging to school boards and county courts. The West Virginia supreme court has held in a recent case school boards are governmental agencies and cannot be sued.

At present, Mr. Lee pointed out, automobile public liability policies contain a clause under which the insurer agrees "to pay on behalf of the assured all sums which the assured shall become obligated to pay . . . by law for damages . . . caused by the ownership, maintenance or use of the automobile."

He advocates a change in the policy form so it will read "to pay on behalf of the assured or the agents and servants of the assured, all sums which the assured or its agents and servants shall become obligated to pay . . ."

Under such a clause, he said, suits for damage may be brought against the driver of the bus, who would be protected under the policy. All county courts and school boards of the state will be informed of the proposed change, it was stated.

Insurer Sued in Old Case

Riding as a guest of Anton Eskofski, Mary Pawlowski was injured in June, 1930, when the car overturned as a tire exploded. She brought suit for damages against Eskofski and named the Maryland Casualty as co-defendant, under the Wisconsin law passed this year permitting the joinder of an insurer in the original action. The Maryland Casualty filed a plea in abatement, claiming that the law was not retroactive. District Circuit Judge Fred Beglinger at Oshkosh, Wis., ruled that the law does not affect the contract between the parties, but only the remedy, and denied the plea in abatement.

Individual Treatment for Commission on Jumbo Bonds

CONCLUSION OF CONFERENCE

Braniff Reports Policy But Says Companies Abused It in Hoover Dam Case

The conclusion reached at a conference of company men and agents as to commissions on jumbo bonding lines was that no inflexible formula should be adopted but that the lines should be treated individually. This intelligence was brought to the National Association of Casualty & Surety Agents in annual session at White Sulphur Springs by T. E. Braniff, reporting as chairman of the executive committee.

The conference was called, according to Mr. Braniff, because some of the company officials felt that there should be a limitation on the dollars and cents that might be made by the agent in any single bonding transaction. Mr. Braniff said that the agents did not differ with that contention, but they did point out that the profit on the big bonds was only just compensation for the small profit or even loss on the small bonds.

It was decided, Mr. Braniff said, that it would "be a mistake to meddle so far as establishing a hard and fast rule is concerned." Individual cases, it was concluded, might be handled judiciously and on their merits, however.

The Hoover dam bond was such a case, he declared. "We felt," Mr. Braniff said, "that this case was not handled on its merits. It was a tactical mistake to deal directly with the contractors. It impairs the loyalty of the agents. The companies apparently have found that they can't play fast and loose with the agency system. There is evidence of contrition on the part of the companies."

Presence of Liquor Bottle in Car Ruled on by Court

A mere casual or incidental transportation of liquor is not such a breach of the policy clause relating to "driving while intoxicated" as to void it, it is ruled in Trelo vs. Iroquois Auto Insurance Underwriters by the Illinois appellate court, second division, dated Aug. 29. This clause provides that the insurer shall not be liable for claims on account of accidents occurring while the automobile is driven by any person under the influence of intoxicating liquor or being used for transporting intoxicating liquor.

The plaintiff drove to Chicago to purchase supplies for a party and on his return trip the car was wrecked and guests injured. In the wreckage were found three glass jugs, one broken, and containing some liquor which witnesses testified was intoxicating.

It was held that a fair and reasonable interpretation of the language in the policy is that in order to come within its meaning the automobile must be primarily employed for the purpose of transporting intoxicating liquor, and that a mere casual or incidental transportation, such as is shown by the evidence in the case at bar, is not such a breach of the policy as to void it. Further, there was no error in refusing to allow the vessels of liquor which had been admitted in evidence to be taken by the jury to the jury room.

May Agree on Taxi Rates

NEW YORK, Oct. 7.—As the outcome of recent conferences there is every prospect that the mutual taxi liability companies in this city will agree on a basis of rates to be charged in 1932, and thereby end the cut-throat practices that have been indulged in, which have proven so serious to some of the offices employing them.

New Edition of Time Saver Will Be Out Early in 1932

WILL HAVE STANDARD FORMS

Accident and Health Book of Policies Delayed Two Months to Include Changes

The next edition of the Time Saver, the annual publication of The National Underwriter Company showing analysis of accident and health contracts issued by more than 90 of the leading companies, will be published early next year. The plan now is to make delivery to purchasers about Feb. 1.

Ordinarily the book would be published in November. Publication is postponed this year in order that the new edition may contain an analysis of the contracts of companies belonging to the Bureau of Personal Accident & Health Underwriters in the standard form suggested by that organization for its members. While not all of the bureau companies will have the new program ready for use Jan. 1, 1932, many of the leading companies will have made the change by that time. Subscribers to the Time Saver then will have in their hands early in 1932 a book which for the leading company members of the bureau will be up to date for that year.

Up to Date on All Policies

For those who desire to keep the policy information strictly up to date, The National Underwriter Company issues the policy analysis section of the A. & H. Bulletins, a monthly loose-leaf service. The issue of this service sent out late in September required 64 pages to take care of new policies issued and changes in old contracts. The Zurich General was the first company to make use of some of the standard clauses adopted by the bureau and the new policy program of the Zurich was included in the September issue of the Policy Analysis section. As rapidly as other companies make policy changes to accord with the bureau program, these changes will appear in that publication.

Provisions of New Iowa Law

DES MOINES, Oct. 7.—Anticipating a rush for driver's licenses when the new law takes effect Jan. 1, automobile owners and those who are not owners but want the privilege of driving are being urged to make application at once. Owners of automobiles are licensed without expense, but drivers who do not own cars must pay a fee of 25 cents. The license is good for two years. One of the questions that must be answered by the applicant is: "Do you carry liability insurance?" This follows the question: "Have you ever had an automobile accident resulting in property damage or personal injury?"

The law holds over the head of the driver a threat that his license will be revoked if he violates any of the stipulations involved in answering the questions submitted.

Toll of Automobile Accidents

The first meeting of the current year was held by the Casualty Field Club of Chicago on Monday. The topic of the session was the "Cost to the American Public to Operate Automobiles." The cost referred to was the heavy toll in death and injuries taken by the automobile. Last year the automobile deaths were 32,500. For 18 months the automobile deaths were 50,900. The United States was in the world war for 18 months, raised 4,000,000 and sent 2,000,000 to France, with deaths in action and from wounds of 50,510. Automobile injuries in 1930 numbered 962,325 in 835,250 accidents. With such a dreadful cost in death and injuries, it was pointed out that no one can feel safe driving a car without automobile insurance.

Avoid Germ Claims by Clear Wording

William McKinley Says Unambiguous Contract Is Needed

IN LEGAL SECTION TALK

Leave Nothing for Layman to Control, Old Colony Life Counsel Advises

Construction of an unambiguous contract is the answer to the problem of that multitude of border line cases, in which the liability under accident policies or double indemnity provisions of life policies is at issue because death or incapacity is caused by the entry of germs into the human system. This is the conclusion of William McKinley, general counsel for the Old Colony Life of Chicago, in his address before the legal section of the American Life Convention on "To What Extent and Under What Circumstances Can the Entry of Germs Into the Human System Be Deemed an Accident?"

"I cannot urge too strongly the necessity of using such clear, unambiguous language in defining either the risk which the company desires to assume or to exclude that even a layman can find nothing to construe," Mr. McKinley declared.

In so far as insurance law is concerned, according to Mr. McKinley, the court is a layman and possesses all the fixed prejudices against insurers. "The average man," he said, "believes that an accident is an event which occurs without one's foresight or expectation; or an event that proceeds from an unknown cause and, therefore, not expected. He does not use these specific words in giving his idea of what the term accident means when it is used in his policy, but in reading over the document he forms in his mind this general idea and in this conclusion which he reaches he is corroborated by no less an authority than Noah Webster."

Mr. McKinley analysed a number of cases in which the germ theory of accidental death figured. One was Lewis

(CONTINUED ON LAST PAGE)

Many Activities Keep Women Busy at White Sulphur

By RUTH RUSSELL CARTWRIGHT

No time of year can equal autumn at White Sulphur. The mountains this year were a luxurious mass of green just changing to yellow and crimson in patches and the white facade of the enlarged Greenbrier as you looked out of your hotel window in the bright morning sunshine, jutted into a sky of perpetual blue.

The golf courses, as usual, offered the chief attraction to the women as well as to their husbands and fathers attending the big casualty convention. Honors in the first day's events went to Mrs. Wilmot Smith of Hartford, who won first low net, and Miss Mildred Strickland, who had low gross score.

First low net the second day was won by Mrs. H. M. Lyon of Bridgeport, Conn., and first low gross, by Mrs. C. P. Daniel of St. Louis.

Spectators gathered in large numbers to watch the women's putting contest. Many skilled putters were on hand to make it a closely matched contest. Mrs. John G. Yost, of Baltimore, in the finals triumphed over her nearest rival, Mrs. Charles H. Burras of Chicago, with a score of 41 to 45 for 18 holes.

Bridge Tournament, Ten

Mrs. J. W. Henry of Pittsburgh and Miss J. R. Millikan of Cincinnati were in charge of the bridge tournament and tea held at the Casino Wednesday afternoon and had selected choice pieces of silver to be presented as prizes, and Mrs. M. R. Whited of Cleveland won first prize. The other four winners were Mrs. Rose, Pittsburgh; Mrs. E. R. Ledbetter, Oklahoma City; Mrs. Wirthwine and Mrs. Howard P. Dunham of Hartford.

Several parties were given Wednesday evening preceding the banquet. Among the hostesses were Mrs. Millikan, Mrs. W. L. Mooney of Hartford, Mrs. John C. Yost of Baltimore, and Mrs. A. Duncan Reid.

C. M. Hansen a Host

Carl M. Hansen presided over one of the three large banquet tables with A. Duncan Reid and W. L. Mooney heading the others. The crowd seemed to like the arrangement better than in previous years as they had a room to themselves.

Mrs. Dunham, who came on from Portland and Los Angeles meetings

Appoint Committee for Company-Agent Confabs

The conference committee of the National Association of Casualty & Surety Agents was delegated at the White Sulphur Springs meeting to represent that organization in company-agent powwows for the betterment of compensation writing. Authority was given the conference committee in response to the request of the executive committee of the National Bureau of Casualty & Surety Underwriters that a group he named "to take under advisement ways and means of increasing the opportunities for writing compensation business."

Beha Asks for Committee

James A. Beha, general manager National Bureau of Casualty & Surety Underwriters, in his Los Angeles address recently, asked the National Association of Insurance Agents to confer similar powers on a committee.

W. G. Wilson, the retiring president of the National Association of Casualty & Surety Agents, said he "suspects that the conference is merely another way of opening the graded commission scale question again."

Last year at the joint conventions of the International Association of Casualty & Surety Underwriters and National Association of Casualty & Surety Agents, the program for divorcing expense loadings of mutual and stock carriers was announced. It developed that the capital feature of the program was a graduated commission scale, put forth as a means of enabling the stock companies to compete more successfully with mutuals for the larger risks. Such a storm of protest came from the field forces that the project was dropped.

Mr. Wilson feels that an effort will

with her husband, had as her guests her mother, Mrs. Robbins, and Col. Dunham's sister from Hartford.

Mrs. Spencer Curry, who drove down from Washington, brought as her guests, Mrs. Elizabeth Shutack and Mrs. Allen Currie of Washington, and Mrs. Gilbert Leigh of Little Rock, Ark., had with her her daughter, and Miss Eleanor Robertson Jones of New York attended with her father.

Among other women taking prominent part in activities were Mrs. W. B. Miller of Little Rock, Mrs. H. P. Jackson of Newark, Mrs. George Blossom, Jr., of Chicago, Mrs. W. C. Billings of New York, Mrs. Frank A. Angles of Pittsburgh.

be made to revive the plan. If that is true, the companies will be trying the diplomatic method of preparing a custom made article, consulting the agents in its preparation, instead of putting out a ready made item for the field to use, regardless of its taste or stature, as was done a year ago.

Mr. Wilson declared that the members of the conference committee of the National Association of Casualty & Surety Agents are conscious of the "vast number of cross currents in the large compensation lines." They realize, he said, that large risks "can't be measured by a yard stick."

Opposed to Graded Commissions

Mr. Wilson added that the conference committee is unalterably opposed to the principle of a graded commission scale.

In conferences last year with company men after the compensation program had been announced, Mr. Wilson said that representatives of the casualty agents' body declared that rather than accept graded commissions, they would favor elimination of all commissions, dealing with the customer on a fee basis for service.

Gives Mutuals Advantage

The matter was also mentioned in the report of T. E. Braniff as chairman of the executive committee. Mr. Braniff's committee met last year with the company men, he reported. They were told that the stock companies were "being deprived of some of the larger and choicer risks because the large unit risks carried the same commission as the smaller. This gave an advantage to the mutuals and reciprocals."

The executive committee, according to Mr. Braniff, pointed out that introducing a graduated scale would have the effect of "applying a blanket remedy where it is not needed." Mutual and reciprocal competition, he explained, is not important in many sections, yet, because of the anti-discrimination laws, a graded scale would have to be applied universally.

Small Lines Profitless

To the contention of the companies that the agent does not earn the commission on the jumbo lines, the executive committee, according to Mr. Braniff, declared that the small lines are profitless and some of them are written even at a loss to the agent. "If there is

(CONTINUED ON NEXT PAGE)

NEW CASUALTY ASSOCIATION OFFICIALS ELECTED



R. HOWARD BLAND, Baltimore
President Company Association



THOMAS E. BRANIFF, Oklahoma City
President Agents Association



F. ROBERTSON JONES, New York City
Secretary Company Association



CHARLES H. BURRAS, Chicago
Secretary Agents Association



TIME CHANGES VIEWPOINTS

In times of prosperity many are inclined to look lightly on the possibility of their income failing them. In the recent period of stress they have found a new appreciation of having that income guaranteed by Accident and Health Insurance—a living insurance, that operates during the life of the insured.

All about them they have seen evidences of what befalls families when the income ceases. They are consequently in an attentive, responsive frame of mind when the many features of Income Guaranty policies are presented. The complete protection afforded them makes our policies desirable.

**REPRESENTATIVES
ARE WANTED IN
OUR TERRITORY.
WRITE US.**

OUR TERRITORY

PENNSYLVANIA
CALIFORNIA
MICHIGAN
MISSOURI
INDIANA
ILLINOIS
OHIO

OUR FEATURES

PROSPECT SERVICE
FULL COVERAGE
NON-CANCELABLE
MALE and FEMALE RISKS
STARTS FIRST DAY
Life Time Coverage
Old Line Company
Prompt Claim
Payments
Generous Contract
Large Commissions
Liberal Renewals
Substantial Company
Pays on Any Disease
Pays on Any Accident
Pays Special
Indemnities



Income Guaranty Company

Capital Stock \$124,100.00 • Surplus to Policy Holders Over \$184,000.00
Legal Reserve Stock Company
Income Building — (Established 1917) — South Bend, Ind.

AUTOMOBILE	PUBLIC	BURGLARY	ACCIDENT
LIABILITY	LIABILITY	THEFT	HEALTH
PROP. DAMAGE	TEAMS	PLATE GLASS	WORKMEN'S
COLLISION	ELEVATOR	STEAM BOILER	COMPENSATION

General Accident
FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.
FREDERICK RICHARDSON, United States Manager
GENERAL BUILDING • 4TH & WALNUT STS.
PHILADELPHIA



Stone Optimistic in Chicago Talk

Sees Great Opportunity for Wide-Awake Agents in Covering Depression Hazards

SELL SOUND INSURANCE

Head of Employers Group Sounds Ringing Keynote at Illinois Department Meeting

Encouraging optimism over the position of insurance was voiced by E. C. Stone, head of the Employers' group, at the annual meeting of Illinois department agents and employes at the Edgewater Beach hotel, Chicago. Insurance has an unequalled opportunity before it, he said, for now more than ever, it is a necessity. Property values above all else must be protected against every conceivable hazard, for the destruction of values now would mean calamity to business interests.

The insurance producers of this country are facing a golden opportunity, said Mr. Stone, for there never was a time like the present when the insurance agent is so important to his community in maintaining adequate insurance, and explaining the need for sound protection.

Never a Luxury

People need insurance, he said; they must choose between buying a luxury or insurance, which he said is not a luxury, even in times like these. Progressive agents who have the interests of their communities at heart can devise ways of maintaining insurance coverage. Sacrifices may have to be made in order to carry on, but insurance should be the last thing sacrificed, he said.

"You are in a business where there is not a single reason for discouragement," he said. "Some business men think that insurance is easy to let go, when expenditures must be curtailed. It is that very attitude which gives the live insurance agent his opportunity to show why insurance must be carried despite the necessity for curtailment."

"Exacting attention must be given to amounts of insurance and limits carried. Returned policies challenge the ability of the insurance agent to devise ways for his clients to save somewhere else than by relinquishing protection. The old principles of thrift and economy are in vogue, and it is through the practice of those principles that we are going to get back to sound business conditions."

Tells of "Sacred Duty"

Mr. Stone said the agents' "sacred duty" to their business and clients is to see that the business is written in sound, well managed companies. He said any other type of company cannot possibly weather the storm. He pointed to companies which a year or two ago flourished through writing at ridiculously low rates any kind of business they could get. When the slump came and values of securities came down they could not stand the strain.

Other head office representatives attending were T. J. Quinlan, superintendent of agents, and E. A. Larner, vice-president Employers Fire. G. F. Douaire, resident manager Illinois department, supervised the meeting, assisted by H. F. MacLachlan, assistant resident manager, who had charge of sessions Monday afternoon and Tuesday morning.

Mr. MacLachlan discussed the value of cooperation between company and

Made Chairman



W. G. WILSON, Cleveland, O.

W. G. Wilson of Cleveland, general agent of the Aetna Life, who has served the National Association of Casualty & Surety Agents as president for the last three years, becomes chairman of the executive committee. Mr. Wilson is one of the outstanding men of his organization. He is also a member of the committee on relations with the International Association of Casualty & Surety Underwriters.

agents in underwriting workmen's compensation and other casualty lines. Several department managers and special agents spoke on activities of their special branches. E. C. Anderson, manager bonding department, spoke on various lines of banking insurance. The recent embezzlement of over \$3,666,000 by an employee of the Continental Illinois bank of Chicago, he declared, is one of the best cases an agent can use today in impressing the need for complete protection against embezzlement.

Others on Program

N. D. Smith, chief engineer, explained engineering service, and J. F. McDonough, superintendent Illinois claim department, said agents can simplify claim work if they make sure that assureds have no misapprehension about the extent of their coverage.

W. G. Constable, special agent in charge of accident and health, explained the present importance of that line.

F. J. Summer, Illinois state agent for the fire company, spoke on the service of his office, and Vice-president Larner recommended greater use of facilities of the fire company.

Superintendent Quinlan discussed the strong finances of the Employers group.

Appoint Committee for Company-Agent Confabs

(CONT'D FROM PRECEDING PAGE)

any gravy in the large lines," Mr. Braniff said, "the agent is entitled to it."

Unlike Mr. Wilson, Mr. Braniff expressed the opinion that the question will not be revived.

Members of the casualty agents conference committee are George D. Webb and Wade Fetzer, Chicago, Mr. Braniff and Mr. Wilson.

Write Big Canal Zone Bond

The St. Louis office of the Fidelity & Deposit, has written the bond on the \$4,048,657 contract for the construction of the Madden Dam project in the Panama canal zone. The contract was awarded to the W. E. Callahan Construction Company of St. Louis, in conjunction with Peterson, Shirley & Gunther Company of Omaha. The contractors made a joint bid for the job.

Snaps of the Giants at Play at White Sulphur Convention

BY LEVERING CARTWRIGHT

Posted on the bulletin board at White Sulphur Springs during the joint convention of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents was a communication from Phil Braniff of Tulsa, the most famous absentee. "Dear Dick," it read, "Sort of look after my interests at White Sulphur and make a reservation for me for 1932 up in one of those trees near the golf course." There followed a drawing showing Phil at a crossroads with markers, one inscribed "White Sulphur 700 miles," another "Poor farm two blocks," and the third, "Better times six months."

* * *

The October "Casualty Insuror" carried a cartoon of a foursome, all of which the editors felt sure would attend, but two were absent, Phil Braniff and J. M. Haines, United States manager of the London Guarantee. Those of the foursome who did attend were A. Duncan Reid, president of the Globe Indemnity, who is always the towering figure of the convention, and C. H. Burras, head of Joyce & Co., Chicago, who had to be there, as always to distribute the "loot," which describes the handsome prizes.

* * *

Incidentally, although the prizes were just as magnificent as in former years, there were fewer of them, 41 this year, 57 last year.

* * *

Among the companies not represented, which are usually represented, were the Travelers, London Guarantee, National Surety, United States Casualty and Continental Casualty.

* * *

M. J. O'Brien, superintendent of agencies, and **W. C. Billings**, vice-president Fidelity & Casualty, made their first appearance. They are young men of vitality and enthusiasm, who make a real team. Both were elevated during the year in the F. & C. reorganization. Mrs. Billings accompanied her husband and was warmly received. Allan J. Ferres, who retired from the F. & C. service during the year, and had been a pretty regular attendant at White Sulphur, was missed, particularly by the card playing contingent.

* * *

With Mr. Ferres and Lamar Hill, general counsel for the F. & C. absent, bridge honors went to **C. W. Hobbs**, special representative of the National Convention of Insurance Commissioners on the National Council on Compensation Insurance.

* * *

J. R. Millikan of Cincinnati, who is entitled to be called a veteran, was one of the spriest figures at the convention. Mr. Millikan was on the dance floor until the music stopped and participated in all other social projects as well as staying with the midnight business sessions of the agents' organization. Mr. Millikan was outdistanced only by Mrs. Millikan.

* * *

W. G. Wilson, the retiring president of the agents' organization, was a vision of loveliness the day he presided over the joint convention. Mr. Wilson, always a thoroughly competent dresser, was appointed that day in a white, double breasted alpaca suit, which was a gem.

* * *

The **Independence Indemnity** was represented by Vice-President W. A. Osgood, J. Ray Donohue and W. T. Godfrey.

* * *

In the absence of President O'Neill, the reputation of the Royal Indemnity was in the hands of **John F. O'Loughlin**, who is a comer.

* * *

The **reinsurance companies** were well represented. From the American Reinsurance there were Vice-Presidents E. M. Sellon and F. X. Malley; from the European General C. T. Gray, assistant United States manager; First Reinsurance, G. E. Turner; General Reinsurance, E. A. Evans, vice-president, and S. E. Thompson.

time. The other Union Indemnity man at the convention was Vice-President Frank E. Sprague.

* * *

W. J. Graham, vice-president of the Equitable Life of New York, cut a gallant figure. He went to White Sulphur from Pittsburgh, where he attended the annual convention of the National Association of Life Underwriters.

* * *

J. Charles King, supervisor casualty index Hooper-Holmes Bureau, was sought out because of a special kind of salad he prepared for friends.

* * *

George W. Blossom, Jr., of Chicago, whose name is twice inscribed on the Charles R. Miller golf trophy, which

goes into the permanent possession of the man winning it three years, did not turn in a card. He did not report his score last year.

* * *

S. B. Curry, president of the Great National of Washington, was as usual a popular figure in the lobby. Incidentally visitors to the fashionable Shoreham Hotel in Washington last week found an excellent likeness of Mr. Curry in "Shoreham Topics," the hotel publication. Mr. and Mrs. Curry make their home there.

* * *

Among winners of golf prizes were **Col. H. P. Dunham**, Connecticut commissioner; Paul Rutherford, Hartford Accident; Henry McKeen, Jr., Easton, Pa.; G. W. Blossom, Jr.; O. H. Mitchell, St.

Centralize

NATIONAL SERVICE

Automobile
Plate Glass
Burglary
Public Liability
Compensation
Accident and Health
Insurance
Fidelity and Surety
Bonds
CAPITAL
\$1,000,000
SURPLUS
TO
POLICYHOLDERS
\$2,000,000
RESOURCES
\$4,000,000

FOR "FRIENDLY SERVICE"

How Can You Tell?

From among the many companies which are available to the agent, how can he instantly recognize a true "agent's company"?

Here are some tests:

1. Has the Company pioneered in establishing new and desirable policy forms, even ahead of expressed demand?
2. Is there a man-to-man spirit of congenial interest in the home office correspondence?
3. Does the Company truly cooperate in providing advertising and selling helps, and supplies?
4. Is the agent's correspondence answered the day it is received?

An emphatic affirmative to these questions proves a company worthy of an agent's affiliation. Agents who have "Centralized" are given these services. You, too, may join a true "agent's company". . . .

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PLAZA 2126, 2127

CABLE ADDRESS
"WEITEN"

21ST FLOOR BALTIMORE TRUST BUILDING
BALTIMORE, MD.

New Amsterdam Casualty Company

A Progressive
Surety and Casualty Company

AMERICAN CASUALTY COMPANY



READING, PENNSYLVANIA



Big enough for your needs—but not overgrown

Incorporated 1902

Inquire about our excellent agency proposition

Assets nearly Four Million Dollars

Especially that unusual cover that means most to you.
Or can Re-insure large percentage of all your liability.

Re-Insurance
Excess Re-Insurance
Catastrophe Hazard

DEE A. STOKER
Re-Insurance Underwriter
2111 Daily News Building, CHICAGO

MEETS YOUR SELLING NEEDS



OCTOBER—Landlords, owners and tenants may be held responsible for injuries on their property.

THIS is one of the 12 timely pictures from The National Underwriter's 1932 Calendar designed especially to fit the selling needs of local agents. It has 12 brown rotogravure sheets mounted on a heavy red back. Exclusive franchises granted in cities under 100,000. Send 10c for sample.

The National Underwriter

A-1946 Insurance Exchange, Chicago

Fire

Louis; G. E. Charlton, Lawrence, Kan.; T. E. Braniff, Oklahoma City; M. R. Whited, Cleveland; W. A. Edgar, U. S. F. & G.; K. R. Owen, Standard Accident; W. G. Curtis, National Casualty; G. E. Turner, First Reinsurance; J. C. Malone, Retail Credit; J. S. Bayless, Standard Accident; M. T. Jones, Kansas City; A. P. Smith, Minneapolis; P. M. Bowen, Standard Accident; H. P. Jackson, Bankers Indemnity; Frank Sprague, Union Indemnity; A. Duncan Reid, Globe Indemnity; C. W. Olson, Jr., Chicago; C. A. Abramson, Omaha; F. I. Olmstead, Syracuse.

President Dennis Hudson of the Central Surety of Kansas City, was in the east on business and dropped in at White Sulphur to renew acquaintances.

A resolution of the agents' organization paid tribute to G. Arthur Howell of Atlanta, who died shortly after the 1930 meeting. Mr. Howell was a familiar and popular man at White Sulphur.

In addition to his usual time consuming chore of being responsible for the prizes, setting them up in display, and handling them until they get into the

hands of the winners, John C. Yost, Fidelity & Deposit, was pressed into service as chairman of the golf committee in the absence of J. C. Heyer of the Commercial Casualty. Mr. and Mrs. Yost extended their stay at White Sulphur so that Mr. Yost might get some relaxation.

President Charles R. Miller of the Fidelity & Deposit received a fine tribute and expression of affection from the convention. W. G. Wilson announced that Mr. Miller had just completed 40 years with the F. & D. At that the convention rose and gave Mr. Miller a big hand.

The convention officially sent its regret at the inability of R. Howard Blond president of the International Association, to be on hand.

George D. Webb of Chicago, the retiring vice-president of the agents' organization, was absent for the first time in history. However, the family and agency honors were well taken care of by Lew H. Webb. The agents' organization adopted a resolution expressing regret at George Webb's absence.

CHANGES IN CASUALTY FIELD

Roberts Succeeds Ringgold

Becomes Southern California Manager
for Massachusetts Bonding—
Fay Casualty Head

LOS ANGELES, Oct. 7.—Resignation of H. P. Ringgold as southern California manager of the Massachusetts Bonding has been announced. He is to be succeeded by Oliver Roberts, and Edgar Fay, formerly with Rolph, Landis & Ellis is to become manager of the casualty department in the Los Angeles branch office. The organization was completed by Vice-President Spencer Welton, who has been here for the past two weeks.

Ungles and Painter Have Quit National Union Posts

DES MOINES, Oct. 7.—Frank A. Ungles has resigned as vice-president of the National Union Indemnity of Pittsburgh and has returned to this city for the time being. Ray Painter who was formerly Philadelphia manager for the Southern Surety, and followed Mr. Ungles to Pittsburgh to become officially connected with the National Union Indemnity, has also resigned. Mr. Ungles was for many years vice-president of the Southern Surety and enjoys a wide acquaintance with insurance men the country over. He will undoubtedly remain in the business.

Many Changes in Aetna Life Companies' Office on Coast

H. E. Sanford, for the past two years casualty underwriter at the western branch of the Aetna Life companies in San Francisco, has been made assistant manager. C. A. Bonner, western manager, also announces several other changes.

G. A. Cole, special agent in San Francisco, has been appointed manager of the Oakland service office. G. A. Schurr, special agent in charge of sales promotion and publicity, takes over Mr. Cole's former duties and the publicity work will now be handled by Miss N. A. Gilbert. K. W. Kemnitzer assumes charge of production as well as underwriting in the compensation and liability department and A. J. Coney takes over similar duties in the automobile department. Harold Klietforth is transferred from the compensation and liability business department and is now in charge of development of the so-called "miscellaneous casualty lines."

Other department heads continue as heretofore.

Open Cleveland Branch

The Lloyds Casualty and the Detroit Fidelity & Surety have opened a branch office in the Leader building, Cleveland, in charge of David Binder. Mr. Binder was formerly agency superintendent for the Seaboard Surety, working out of the home office in New York City, and is a thoroughly experienced casualty man. Dan F. Sammon has been appointed manager of the claim department.

T. C. Owen Makes Change

NEW YORK, Oct. 7.—T. C. Owen, formerly a special agent in the general agency of Floyd West & Co., Dallas, has joined the United States Aviation Underwriters here. He was for seven years a special agent of the Home Fire and Home Accident of Arkansas. He is a licensed pilot and has had about five years' flying experience.

Norman Toussaint Makes Change

Norman Toussaint, who has been underwriter in the Newark branch office of the Metropolitan Casualty for nearly six years, has resigned to take a similar position with the Newark branch office of the Detroit Fidelity & Surety. Previous to joining the Metropolitan Casualty, Mr. Toussaint was with the Newark office of the Commercial Casualty. He has had a wide experience in the liability and compensation field.

Moves Chicago Office

The midwestern office of the Consolidated Indemnity has moved to A-2061 Insurance Exchange, Chicago. The office is doubling its space, owing to expanded business and the additional territory being handled. The department now covers eight or nine states in the middle west. C. M. Randall is resident vice-president and general manager of the midwestern office.

Eberhardt Casualty Manager

H. J. Eberhardt has been appointed manager of the casualty and surety department of Steckler-Wagner, New Orleans general agency.

Name New General Agents

The Associated Indemnity has appointed the Capital Insurance Corporation, Washington D. C., and F. W. & H. A. Jones, Suffolk, Va., as general agents. The Jones agency is to manage the Associated's business in Virginia.

Urge Standardization of State Compensation Laws

DEANS TELLS OF IMPORTANCE

Talks to International Association Industrial Accident Boards & Commissions at Richmond

RICHMOND, VA., Oct. 7.—Standardization of workmen's compensation laws throughout the United States and Canada was urged by Parke P. Deans, president of the International Association of Industrial Accident Boards & Commissions, in his address at the opening session of its annual convention in Richmond this week.

"I cannot conceive of a more important undertaking," said Mr. Deans, who is a member of the Virginia industrial commission. "I realize that the task is a big one, due to different acts in various states that have become law. However, I feel that it would greatly assist the different boards and commissions in the execution of their laws if we could get them in accord."

Year's Legislation Reviewed

Reviewing workmen's compensation legislation in 1931, Mr. Deans asserted that the legislative year has been a progressive one. From an examination of amendments made by various states, it was plainly evident that the tendency was to broaden and strengthen the existing laws and improve their administration.

The principal speaker at Tuesday's session was W. N. Doak, Secretary of Labor, on "The Attitude of the Railroad Brotherhoods Toward Workmen's Compensation and the Reason for Such Attitude."

Principal contenders for the 1932 convention are Columbus, O., and Boise City, Idaho. Quebec put in a bid for the 1933 meeting. Mexico City, according to the report of Ethelbert Stewart, secretary-treasurer, is favored as the meeting place for the proposed joint convention with associations in Latin-America. The date for this conference as well as other details are yet to be worked out.

Engstrom White Sulphur Champion on Golf Links

Results in the golf tournament at the White Sulphur convention of the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents demonstrated. Theodore Engstrom as the best player, at least this season. He won the Fidelity challenge trophy put up by Charles R. Miller, president of the Fidelity & Deposit, in a playoff with J. T. Harrison, United States Fidelity & Guaranty, New York. R. H. Thompson, Maryland Casualty, won first low gross among the underwriters and Wilmot Smith of the Aetna, second. W. L. Mooney of the Aetna won first low net and F. X. Malley second and W. H. Brown, third. Among the agents Frank R. Bell of Charleston won first low gross and George L. Dyer of St. Louis second. First low net was won by C. C. Gorsuch. Second low net was won by Henry B. Shea and third by E. R. Ledbetter of Oklahoma City.

Southern Surety Is Now Concentrating Its Efforts

NEW YORK, Oct. 7.—Though continuing its licenses in all states, the Southern Surety of New York, running mate of the Home Indemnity, is concentrating its activities in Iowa, Illinois, Indiana, Ohio, Pennsylvania, New Jersey, New York, Delaware, Maryland, North Carolina, Virginia and the District of Columbia. The management

has been closely overhauling its business for months past, feeling the present period of high loss ratios in the great majority of casualty lines highly opportune for the pruning process. The Southern Surety quit writing fidelity and surety business some weeks ago, limiting its further operations to casualty lines.

Returns Complete on Quiz of Carriers by New York

NEW YORK, Oct. 7.—Complete returns from all casualty and surety companies operating in New York have been received by the insurance department to questionnaires sent out some weeks ago in an effort to determine the extent to which rules of the casualty and fidelity and surety acquisition cost conferences were being observed.

If it appears after a study that the governing rules as now laid down are impractical in any respect, their reformation will be asked for. Superintendent Van Schaick and the commissioners of other states generally are agreed that a top cost for securing business is essential and they stand ready to support any well conceived program of the carriers to that end.

Claim Association Not to Hold Meeting in Los Angeles

It had been reported that the next annual meeting of the International Claim Association will be held in Los Angeles. H. S. Don Carlos, associate chief adjuster of the Travelers at the head office, who was elected president of the association, declares that no decision has been made as to where the next meeting will be held. President Don Carlos says that while Los Angeles would be a very excellent city in which to hold a meeting it is too far west to be practical for the membership to attend. The question of time and place of meeting is in the hands of the executive committee of which T. F. Hickey, Metropolitan Life, is chairman.

Nelson Compensation Director

MADISON, WIS., Oct. 7.—Harry A. Nelson, who has been an examiner for the Wisconsin Industrial Commission in workmen's compensation, has been appointed director of the workmen's compensation department of the commission. The position is a new one and Mr. Nelson is virtually put in charge of the administrative work in

Dreher Lands I. A. C. Trophy, Highest Award

(CONTINUED FROM PAGE 8)

Of its "ad" service the judges said, "It is inviting to an agent. It sets forth a persuasive argument for local advertising and makes it easy for the agent to order mats."

All of the Boston's material is produced in Mr. Dreher's department. No advertising agency is employed. In winning the I. A. C. trophy the Boston and Old Colony's advertising service in its entirety gets the seal of approval of the highest authorities in the business—judges of national repute and of unquestionable understanding of the relative merits of this type of material.

connection with workmen's compensation.

Gallagher Gets New York Post

Edward H. Gallagher has been appointed special representative in New York City by the Commerce Casualty. Mr. Gallagher will develop brokerage business.

Mutual Insurance Service, Lynchburg, Va., agency, has changed its name to Rucker-Jennings, Inc.

Asset No. 4.. CLAIM SERVICE

Every Agent recognizes the importance
of prompt and equitable settlement of
claims by his Companies. The Bankers
Indemnity knows this too, and has estab-
lished nation-wide adjustment facilities
operating under instructions to pay
every dollar of every honest claim.

Investigate!

BANKERS INDEMNITY INSURANCE CO.

Newark, New Jersey

ONE OF THE AMERICAN GROUP

NEWS OF THE COMPANIES

Goes on a Full Unit Basis

Ocean Accident and Columbia Casualty Give Larger Facilities to Their Chicago Branch

The Ocean Accident & Guarantee and the Columbia Casualty have placed the central department at Chicago, which is in charge of Manager J. E. Callender, on a basis where it is practically doing all the work of a head office the same as the companies' department at San Francisco. In other words Mr. Callender only reports totals to the United States office but he carries on all the activities within his own walls. The installation of this system increases the

facilities which Manager Callender can offer to agents, brokers and policyholders. It is now equipped to underwrite and administer the business as completely as if it were a home office. Mr. Callender has jurisdiction over Illinois, northern Indiana and southern Wisconsin, having acted in this capacity for a number of years.

Eureka Casualty Retires; Will Reinsure Business

LOS ANGELES, Oct. 7.—E. H. Craddock, vice-president of the Eureka Casualty of Los Angeles, announces that the directors have decided to reinsure its outstanding fidelity and surety

business and withdraw completely from the insurance business. Depressed business conditions, together with continued depreciation of investments, are given as the primary reason for the decision to liquidate. Mr. Craddock states no effort has been made to sell the company, as has been reported at different times.

Mr. Craddock says the Eureka is in sound condition and that adequate loss reserves have been set up. He believes the liquidation will be 100 percent, and that stockholders will realize more than the book value of the stock. Mr. Craddock has been retained by the directors to liquidate the company. A number of reinsurance deals are being considered.

Liberty Surety May Be Merged

TRENTON, Oct. 7.—A meeting of the stockholders of the Liberty Surety of Trenton will be held Oct. 20 for the purpose of deciding whether the company will be merged with the Independence Indemnity or liquidated. As C. M. Hansen controls more than 70 percent of the outstanding stock it is a foregone conclusion that liquidation will be voted on in the affirmative. As soon as the liquidation question has been determined upon steps will be taken to consummate plans by which the assets of the Liberty Surety will be merged with the Independence Indemnity. Further details will be worked out later.

Report on Farmers Mutual

The Indiana department report on the Farmers Mutual Liability of Indianapolis as of Dec. 31 shows unpaid claims \$39,919, premium reserve \$54,198, total liabilities \$95,957, surplus \$49,135, assets \$145,091. Of this surplus \$33,175 was contributed when the company was established on which 7 percent interest is being paid.

Quits Compulsory Auto Field

BOSTON, Oct. 7.—Vice-president Thomas F. Cass of the National Union

Indemnity, who has been in Boston the past week, announces that after Oct. 15 the National Union Indemnity will discontinue writing compulsory automobile liability insurance in Massachusetts.

Reason for Retirement

The company had the 15th largest premium income from this line of 53 stock companies doing business in the state. The impossibility of making selection of risks, the increasing number of questionable claims and the exceedingly high loss ratio led the company to make its decision.

Starts Writing Auto

The New Century Casualty of Chicago is now actively engaged in writing automobile insurance. At present it is confining its operations to Illinois in that line. The company has been specializing in writing plate glass and burglary lines and now is licensed in 22 states.

The New Century Casualty of Chicago has passed its semi-annual dividend owing to the fact that it is starting to write automobile insurance and due to the abnormal conditions of the times.

Travelers' Figures Corrected

On page 126 of the 1931 Argus Casualty Chart the 1930 compensation experience of the Travelers is shown incorrectly. The correct figures are: Earned premiums, \$19,762,519; losses and claims expense paid, \$15,257,227; ratio, 77.20 percent.

On page 129 the 1930 liability experience of the Travelers is also shown incorrectly. The correct figures are: Earned premiums, \$23,608,693; losses and claims expense paid, \$14,058,755; ratio, 55.31 percent.

Standard Surety & Casualty

NEW YORK, Oct. 7.—With its admission to Florida, the Standard Surety & Casualty of New York is now licensed in 44 states. It also operates in the District of Columbia.

WITH BURGLARY UNDERWRITERS

To Meet Marine Competition

Committee Named by Burglary Underwriters Club of Chicago to Draft Comprehensive Policy

At the first meeting of the Burglary Underwriters Club of Chicago for the season, a special committee was appointed to develop a comprehensive policy which will enable the casualty companies to meet the competition of inland marine companies writing burglary lines. C. F. Tanner, Marsh & McLean, was named chairman. The other members are J. MacGregor, Continental Casualty; James H. Tallom, Travelers; R. Baker, Home Indemnity; A. C. Anderson, A. F. Shaw & Co.; A. K. Layden, Zurich; Martin Patt, U. S. F. & G.; Ralph Johnston of Moore, Case, Lyman & Hubbard, president of the club, and A. V. Mooney, Starkweather & Shepley, secretary, are ex-officio members of the committee.

He urged the burglary underwriters to take immediate steps toward drafting a policy which will meet the residence burglary demands for coverage for between \$250 and \$500.

The committee appointed at the meeting was the result of his having outlined the needs for such policies. When the committee decides upon the form of policy required it will be submitted to the bureau for consideration.

Fights Off Bandit; Gets Reward

KANSAS CITY, MO., Oct. 7.—Raymond Ramsey, assistant cashier of the East Side Bank of Commerce, who on Sept. 16 fought a running revolver duel with a bandit and recovered \$4,000 the bandit had just taken from the bank, was presented with a check for \$500 from companies represented by R. B. Jones & Sons and Thomas McGee & Sons. Cliff Jones made the presentation.

The Commerce banks carry a \$3,000,000 bankers' blanket bond, written jointly through the Jones and McGee offices and carried in nine stock companies. Each of the companies contributed to the \$500 gift. Ramsey was shot in the arm.



In Cleveland-It's

THE HOLLENDEN

at

REDUCED RATE

Now Starting at \$2.50 Single - WITH BATH

FOUR-station radio in every room of this most popular hotel, already famed among experienced travelers for its homelike comfort, good food and excellent service.

The \$2.50 Single, base rate, is effective in these DeWitt Operated Hotels:

AKRON
MAYFLOWER
C. J. Fitzpatrick, Mgr.

CLEVELAND
HOLLENDEN
Elmer Hogren, Mgr.

COLUMBUS
NEIL HOUSE
Tom A. Sabrey, Mgr.



ACCIDENT AND HEALTH FIELD

Take Over El Dorado Mutual

Duker and Interests in Sunset Mutual Life Plan to Transfer 4,000 Policyholders

H. J. Duker and interests associated with him in the Sunset Mutual Life of Los Angeles have taken over the El Dorado Mutual Life of that city and will transfer all of the 4,000 policyholders of the Sunset who were written on the purely assessment basis into the El Dorado Mutual. The Sunset Mutual is now writing business on the legal reserve basis, Mr. Duker recently announced.

In taking over the El Dorado, which has lain dormant since it was organized several months ago by T. D. Thomason, former company man and until recently manager of the San Francisco office of the Northern Life of Seattle, Mr. Duker becomes president; Mike O'Sullivan, vice-president and manager accident and health department, and John Upton, secretary and actuary. All hold similar offices in the Sunset Mutual. Offices of the two organizations will adjoin each other in the Pershing Square building, Los Angeles.

Reinsuring Detroit Business

The United of Chicago is taking over the Wayne county (Detroit) business of the Kentucky Central Life & Accident under a reinsurance agreement. The companies are attempting to concentrate their territories and eliminate competition and unnecessary expense. The Kentucky Central is reinsuring business in some territories now held by the United while the latter is taking over business in areas where it may be more conveniently administered by the Chicago carrier.

Commercial Casualty's Rates

An erroneous impression was given by the statement published some weeks ago that the Commercial Casualty had announced an increase of approximately 33 1/3 percent in accident and health rates,

applying to both new and renewal business. The management announced an increase of 33 1/3 percent for each \$5 of weekly accident indemnity on new and renewal policies under the new "ultimate accident" and the new "ultimate disability," the "income accident" and "income disability" forms, but there was no increase as respects any of the various other accident forms the company writes through its commercial division.

Later an increase of \$1 for each \$5 weekly health insurance was announced, on both new and renewals, which brought the rates up to those used by other principal carriers. There was no change to a more restricted coverage. Most of the carriers that had effected an increase put it on the principal sum, not on the weekly indemnity.

Benjamin Franklin Life Licensed

W. B. Stanfield, former treasurer of the Inter-Southern Life, has completed organization of the Benjamin Franklin Life Assurance of Los Angeles, which has received its California license. The company will write life, accident and health on the assessment basis, but it is expected that within the year Mr. Stanfield will place it on a regular stock company basis. It is also understood that all policies issued between now and the time it is converted into a stock company will be on the regular legal reserve basis.

Associated with Mr. Stanfield in the new undertaking is R. N. Stanfield, who is to serve as secretary.

Claims Association Opens Season

The Chicago Claim Association will hold its first meeting of the season Oct. 15 at the Hamilton club. Dr. Edwin A. Oliver will be the speaker. Reports will be given on the recent meeting of the International Claim Association.

A. & H. Managers to Meet

The Accident & Health Managers Club of Chicago will be addressed at a meeting Oct. 12 in the Palmer House by T. G. Rockwell of Moore, Case, Lyman & Hubbard.

Annual meeting of the conference was the award of plaques for best achievements in the mutual advertising field.

The award for the most outstanding general exhibit went to the Federal Hardware & Implement Mutual of Minneapolis, which also won first place for best company publication. The Employers Mutual Indemnity of Wausau, Wis., and the Northwestern Mutual Fire Association of Seattle won honorable mention for general exhibit, and the Hardware Mutual Casualty of Stevens Point, Wis., and the Employers Mutual Indemnity won honorable mention for best company publication.

The American Mutual Liability also won first place for the best direct mail letter. The Central Manufacturers Mutual of Van Wirt, O., a Kemper affiliate, won first for the best direct mail letter, and honorable mention was won by the Millers Mutual Fire of Alton, Ill.

Other Awards Made

For advertising matter among farm mutuals, the best direct mail letter went to the Rollingstone Mutual Farmers Fire of Rollingstone, Minn. The best piece of direct mail matter among the farm mutuals was put out by the National Grange Mutual Liability of Keene, N. H., and honorable mention was given the Lightning Rod Mutual Fire Protective Association of Seville, O.

The 15th annual meeting of the federation was held Tuesday and Wednesday with President Kemper presiding. There were many interesting reports. W. D. Winter spoke on mutual marine insurance, pointing out that the mutuals have been writing it for a great many

years. H. J. Pelstring gave a report on the underwriting conference held in Chicago last June and recommended that the conference be continued. J. T. Haviland of Philadelphia spoke of mutual insurance and its opportunities. He pointed out that mutual fire insurance has protected American homes since 1752, yet today the mutuals have less than 15 percent of the fire premiums in the United States, and in Philadelphia, he said, little more than 5 percent.

Mr. Haviland sounded a slogan for the mutuals: "We seek no favors," he said. "We seek merely unbiased appraisal of the soundness and economy of our plan."

F. B. Fowler discussed the adjustment situation arising from the action of independent adjusting companies controlled by stock fire companies in refusing to adjust for mutuals.

W. E. Straub, president Farmers Mutual of Lincoln, Neb., reported on the activities of the U. S. Chamber of Commerce, particularly the insurance department.

Although the conventions were almost strictly business, there was some entertainment. A banquet was held Wednesday at the Stevens at which Dr. Glenn Frank, president of the University of Wisconsin spoke.

An interesting feature at the first session was the talk by C. A. Donnel, federal meteorologist of Chicago, who said wind and hailstorms cost the United States more than \$75,000,000 in property damage and upwards of 400 lives every year. He apportions the loss as follows: From storms of tornadic character \$15,000,000; other windstorms \$10,000,000 and hail storms \$50,000,000. He gave an interesting sidelight on tornadoes in the statement that the chance of one crossing a particular area of a mile square in every year is only one in 41,000.

Mutuals of All Classes Hold Intensive Meeting

(CONTINUED FROM PAGE 5)

storm insurance, and another on "Resistive Construction."

Then there was a city and town group meeting where such topics as "Underwriting the Dwellings" were taken up. It was pointed out that in the east where farming has declined many of the farmers mutuals have gone into the cities and towns and are no longer writing exclusively farmers' insurance. These shifts and changes are taking place all over the country.

Another interesting feature was the discussion of the "Cooperating Activities of the New York Mutual Association" by Frank E. Tucker, manager, of Albany, N. Y. The mutuals of New York state have for some time been developing an agency plant of their own, reinsurance facilities among one another, and even providing stock insurance companies owned by them jointly, in case policyholders prefer stock insurance.

Many study groups were to be found here and there on the third floor, and much attention was given to promotion and education. The mutual companies give much attention to public education, prevention and inspection. Some of the topics were: "Investigation and Adjustment of Questionable Fires;" "The Annual Statement as a Means of Education;" "Protection and Prevention Through the Printed Page;" "What We May Expect from Inspections;" "Educating the Agent."

In the automobile and compensation group, Owen B. Augspurger, president of the Merchants Mutual of Buffalo, discussed "The Safety Responsibility Law." Mr. Augspurger is chairman of the committee of the A.A.A. having this in charge. This law is making rapid headway in various states and is supplanting the idea of compulsory automobile insurance and other more or less popular nostrums. Two other addresses in this room were "What Mutual Insurance Companies Can Do to Improve the

Automobile Accident Situation," and "Payment of Automobile Claims."

In the hail group meeting, there was an interesting subject: "Hail Insurance on Tomatoes, Melons and Similar Crops."

There is one form of insurance that appears to be dying out. This is live stock. Only one stock company writes this line and 15 mutuals. Of the mutuals most of them are in a certain section of Pennsylvania and their business is decreasing. It was said that live stock insurance applied to the ordinary farm, at least, will some day be extinct.

In addition to the informal discussions there were actually 63 topics at the general sessions and group meetings included in the printed program.

The writer, who has attended many conventions, was greatly impressed by the multiplicity of topics discussed and it reminded him of the early conventions of the American Life Convention, when the newer life insurance companies of the west and south organized following the Armstrong life insurance investigation and found it necessary to bring up in meeting every policy and method that could possibly be conceived of for building and conducting a life insurance company.

Valuation Subcommittee Holds Its First Meeting

(CONTINUED FROM PAGE 8)

Illinois. The first meeting of the committee was held in the office of the department here yesterday. The conferees recognize the importance of the task assigned them and will give it the most intensive study, seeking light from the best possible sources as to stock and bond values, and their probable trends during the weeks that remain before the year closes.

Of the 24 years that have elapsed since security values were determined for insurance company statement filings by the National Convention of Insurance Commissioners market values as of Dec. 31 were used in all but 1907, 1914, 1917, 1918, 1919, 1920 and 1921, in which latter periods unusual conditions obtained in the financial world, making a change from the customary practice desirable.

In the trying year of 1907 values were arrived at by taking the quotations as the first of each of the preceding 13 months and dividing the total by 13. In 1914 actual values as of June 30 of the year were used. In 1917 the formula adopted was using the quotations as of Nov. 1, 1916, and Feb. 1, May 1, Aug. 1, and Nov. 1, 1917, dividing by five. The 1918 values were reached by adding the Nov. 30 quotations to the convention values of the previous year and dividing by two. In 1919, 1920 and 1921 the policy was to use the Nov. 1 quotations and after adding these to the convention values of the preceding year dividing by two. What method will be recommended for 1931 remains to be determined.

Broadly speaking the average value of 43 representative stocks, such as fire and casualty companies largely invest in, are off one-third from prices quoted Jan. 1, while high grade and some second-grade bonds jointly are down from 7 to 10 percent. A number of companies carry contingent reserves among their liabilities, and those so fortunately situated will be able thus to absorb a considerable part if not all of their asset depreciations. Offices not thus fortified will have to stand surplus shrinkages, more or less serious, according to the character of their portfolios and the basis of valuation finally sanctioned by the insurance commissioners. Again, very fortunately, fire and casualty companies, except for those that guaranteed payment of the principal and interest on mortgage issues, are not especially concerned with real estate holdings, their investments in such direction being confined in the main to home office buildings, and these have always been carried at conservative figures.

Fine Program at Mutuals' Meeting

(CONTINUED FROM PAGE 5)

continued late. It is evident that the mutual men are keen for this annual get-together, and look upon it as a fine source of information on educational, underwriting, adjusting, sales and management matters.

There was a breakfast for presidents and secretaries of state and national associations and members of the Century Club Tuesday.

An interesting feature was the meeting of the Century Club, which is composed of more than 25 mutuals which are over 100 years old.

The governing board of the federation met Tuesday evening and later there was a reception and concert.

The Mutual Insurance Advertising & Publicity Conference met on Wednesday. This is a new conference, comparable to the Insurance Advertising Conference, and just a year old. It has been highly successful in its first year. M. P. Luthy, assistant vice-president Lumbermen's Mutual Casualty, Chicago, was chairman morning and afternoon, and T. S. Trummett, advertising manager American Mutual Liability, was chairman of the luncheon, at which L. D. Herrold, head of the advertising department Northwestern University School of Commerce, spoke. A general round table discussion is scheduled for Thursday morning with Mr. Luthy in the chair.

An interesting feature of the first an-

At the gateway to Minneapolis

HOTEL NICOLLET MINNEAPOLIS

HOSPITALITY that is refreshingly old-fashioned in spirit yet strikingly modern in manner. Six hundred fireproof rooms with baths. Three restaurants serving noted cuisine.

HOTEL NICOLLET MINNEAPOLIS

The Northwest's finest hotel

HOTEL Muehlebach

KANSAS CITY

An outstanding hotel of the middle-west offering every service demanded by the most exacting guest.

Daily Amusements
Music and Dancing--Plantation Grill
Famous Trianon Cafe
Also Coffee Shop for Quick Service

WINZER & CO.
CERTIFIED PUBLIC ACCOUNTANTS
Specializing in
**INSURANCE
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29 S. La Salle Street
CHICAGO

ATTENTION CASUALTY EXECUTIVES
A casualty executive with many years experience is interested in making a change, would consider Home or Branch office connection. Location no obstacle--inquiries invited and kept strictly confidential. Address U-29, The National Underwriter.

ORDER 1932 CALENDARS NOW!
Special 12-sheet rotogravure calendar with a timely insurance picture for every month. Heavy board backs. Get the exclusive franchise for your town. Send 10c for sample of Fire or Life Calendar to: The National Underwriter, A-1946 Insurance Exchange, Chicago.

Bland Reelected at White Sulphur

(CONTINUED FROM PAGE 31)

The invitation to hold the 1933 convention in Chicago was transmitted to both the International Association of Casualty & Surety Underwriters and the National Association of Casualty & Surety Agents by C. H. Burras in behalf of the insurance committee of the fair, of which Ward Seabury, Marsh & McLennan, is chairman, and Mr. Burras a member.

The invitation was referred by the International association to its executive committee and by the National association to its incoming officers with power to act.

Plan of the Meeting

The plan is to hold the convention at the Stevens hotel and have the exclusive use of one of the links at Olympia Fields. Mr. Burras suggested that in 1933 one of the joint meetings be dispensed with and that the sessions be held in the insurance hall of the fair. Glenn E. Charlton, Lawrence, Kan., said that if the meeting is held in Chicago in 1933, it should be understood as an unusual circumstance and White Sulphur should be considered the permanent meeting place.

The address of R. Leighton Foster, Ontario superintendent, was attentively heeded. Mr. Foster brought out many important points in connection with financial responsibility legislation. At the suggestion of Frederick Richardson, United States manager General Accident, the address will be reproduced and made generally available.

The proposal called "sole agency ethics" was, perhaps, the most significant development of the convention. In presenting the program W. G. Wilson, retiring president of the agents' organization, declared that everyone in the hall was conscious of the "menacing situation hanging over the casualty business today."

Manly Thing to Do

"The manly thing to do," he said, "is to face the situation, putting the clothes through the wringer. It can't be done with a velvet tipped glove. Some will be hurt."

Companies, he added, are confronted with difficulties on three fronts—production, underwriting and investment. The sole agency suggestion, which he read later, he said bears directly on production and indirectly on underwriting. Production has become demoralized, he said.

After reading the statement, Mr. Wilson declared that it has had "careful and labored consideration. The more we get into it, the more of a solution it seems."

Elections on Schedule

The elections went off as scheduled, all officers of the International association being reelected and T. E. Braniff succeeding Mr. Wilson as president of the National association. Mr. Braniff served as president three terms several years ago. Wade Fetzer of Chicago, who was the founder of the National association and was its first president, becomes the new vice-president. C. H. Burras is continued as secretary and Mr. Wilson is chairman of the executive committee, the other members of which are B. W. McCluer, Kansas City; J. R. Millikan, Cincinnati; J. W. Henry, Pittsburgh; George D. Webb, Chicago; John T. Harrison, New York; H. H. Wadsworth, Syracuse; Glenn E. Charlton, Lawrence, Kan.; C. M. Bend, St. Paul, and T. C. Moffatt, Newark.

Mr. Burras, as secretary, reported that membership in the agents' association stands at 532.

Mr. Braniff reported as chairman of the executive committee on two conferences with company men, one as to commissions on big bond lines and the other as to graded compensation commissions. His remarks appear in other columns.

Four resolutions were adopted by the

agents, one condemning competition of motor clubs, one indorsing the "sole agency ethics" and the other two of a personal nature.

The agents heard a short talk by H. C. Walker, Boston advertising man, who advised the producer to "get some kind of printed message regularly into the hands of several hundred of the people and firms you want to do business with."

J. Arthur Nelson, president of the New Amsterdam Casualty, made a good pinch hitter for R. Howard Bland as presiding officer at the first joint meeting. Mr. Nelson was dignified and gracious on the rostrum.

The banquet was colorful. An improvement this year was that the convention had a separate banquet hall, instead of a roped off space in the large dining room. "Nick" Revere of Pittsburgh, formerly of New Orleans, entertained with a string of personalities delivered in the Louisiana-French patois.

Mr. Burras, as usual, performed his chore of distributing the prizes with wit and dispatch.

Avoid Germ Claims by Clear Wording

(CONTINUED FROM PAGE 33)

vs. Ocean Accident, 224 N. Y. 18; 120 N. E. 56. The insured had a pimple on his lip, which became larger and inflamed. The physician said there was a punctured wound in the lip which had inflamed and infected the tissues. The wound was opened and remedies applied. The insured died. The court stated: "Dire results so tragically out of proportion to a trivial cause was something unforeseen, unexpected, extraordinary, an unlooked for mishap, and so an accident. This test, the one which is applied in common speech of men, is also the test to be applied by the court."

Mr. McKinley declared that recovery has been allowed often where the accident left no visible external sign of origin. In the case of International Travelers vs. Francis, 23 S. W. 2nd, 282 (supreme court of Texas, 1930), the court declared: "The unforeseen, unexpected and improbable thing was the injection of the pathogenic organisms into the tissue. Just how they were injected, the evidence does not show with mathematical precision, and in the nature of things can never be done in any case. These organisms do not make their presence known by ordinary methods of detection."

Don't Have to Show How Germs Entered System

It is not always necessary to establish when the germs entered the system, Mr. McKinley declared, quoting the Tennessee supreme court in MacFarland vs. Massachusetts Building. "One might make a journey of days by rail," the court declared, "and at the end of the journey discover his eye to be inflamed and painful and find a cinder imbedded therein. That he could not state the exact time or place would not be fatal to his demand under such a policy. Such germs are alleged and well known to be invisible to the naked eye. Neither the injured, nor any other person could see them enter. This is true of similar germs of typhoid, erysipelas and pneumonia."

Mr. McKinley quoted a case where the proprietor of a swimming pool suffered an infection which necessitated the amputation of a leg. An associate testified that the insured was in the habit of cleaning out the pool, wearing a bathing suit, and there were often pieces of stone, broken glass and blocks of wood there. The court held the jury was warranted in drawing the inference that the foot was accidentally cut or bruised.

Sometimes the court is willing to adopt the fair rule of construction for insurance policies, Mr. McKinley said. As an example he quoted the Georgia supreme court in Northwestern Mutual Life vs. Dean, 157 S. E. 38.

"The court cannot permit their judg-

Court Asked to Compel New Rates

(CONTINUED FROM PAGE 31)

nies, whose business is hindered and the issuing of policies for 1932 is greatly handicapped by such delay, asks the courts for an order to compel the issuance of rates at once, governing the coming year.

Legislative Hearings Started

The Massachusetts legislature's hearing on compulsory automobile liability insurance started this week with the insurance and judiciary committees in charge. The plan of procedure during the special legislative session will be to have the legislature as a whole meet only on Mondays and Thursdays and the judiciary and insurance committees meet as a single group to hear evidence during the remainder of the week. Thirteen bills, besides the governor's recommendations, are being considered by the legislature.

ment to be influenced by sentiment and in such cases," the judge of supreme court declared, "though they disappoint some cherished hope and expectation and the sacred right of contract must not be invaded or impaired by judicial interpretations. To vary the contract of the parties by recourse to fantastic refinements and distinctions as much an offense against justice as an upright judgment deliberately pronounced."

On the other hand, Mr. McKinley quoted a court which took the extreme opposite view. That was the Missouri court of appeals in Kimbrough vs. National Protective, 35 S. W. (2nd) 654, 77 insurance law journal 195.

Court Says Insurer Must Avoid Net and Snare

"An insurance company," the Missouri court of appeals said, "must be a good sportsman and never deign to hunt or fish with snare or net. It is denied the advantage of blinds and decoys. It will not be permitted to play hide and seek with its liability and the policyholder by concealing itself behind equivocal terms, expressions, conditions, provisions, limitations, etc., to the bewilderment and loss of the insured. If the company, in the preparation of its policy, chooses the use of words, that may have a double meaning and deceive the unwary, and in the construction of sentences seeks to turn and twist the meaning, intent of purpose to its advantages, then such efforts will be met, if necessary, by an exhibition of all the feats known to the judicial turnverein in order to find a justifiable construction that will favor the insured. In this effort the law holds high the shibboleth of fair play. It seeks not the making of a new contract for the parties but a fair fulfillment of the one made through a reasonable construction of its true character and purpose and in the sense to which the insured had reason to suppose it was understood."

Perry Claims Service Expanding

The C. Perry Claims Service of Dallas has appointed C. H. Ross as manager of its inspection department. He has long been connected with payroll audit and inspection work. He served the government at Muscle Shoals, Ala., during the construction of the great dam there. The Perry Claims Service is in the Southwestern Life building at Dallas and Mr. Ross will travel out of that office. This service is constantly expanding.

Over 20 Percent Auto Cases

The clerk of the Nebraska supreme court estimates that more than 20 percent of the 300 appeal cases pending in that tribunal are damage cases arising out of the operation of automobiles, with one or more insurance companies the real defendants at interest.

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